

# TAURUS Mutual Fund

TAURUS ASSET MANAGEMENT COMPANY LIMITED

CIN: U67190MH1993PLC073154

Head Office & Regd Office : 3rd Floor, 301-304, Chandravillas Co-op Premises Society Ltd., AML Centre 2,  
8 Mahal Industrial Estate, Off. Mahakali Caves Road, Andheri-East, Mumbai - 400 093

Tel.: 022 6624 2700 (Board) Fax 022 6624 2777

Email: customercare@taurusmutualfund.com • Website: www.taurusmutualfund.com • Toll Free No. 1800 108 1111

## NOTICE

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of Taurus Asset Management Company Ltd. will be held on Friday, the July 30, 2021, at 04.00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt Audited Balance Sheet of the Company as at March 31, 2021 and the Profit and Loss Account for the year ended on that date together with the report of the Auditor’s and Directors’ thereon.
2. To appoint a director in place of Mr. Lalit Bhasin (DIN No. 00002114), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS**

3. **To appoint Dr. Ashok Aggarwal (DIN: 00046836) as an Independent Director of the company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), **Dr. Ashok Aggarwal (DIN: 00046836)**, who was appointed as an Additional Director in the category of Independent, Non-Executive Director of the Company effective from March 02, 2021 in terms of section 161 of the Companies Act, 2013, by the Board and who holds office up to the date of Annual General Meeting, has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and whose appointment as Independent Director is approved and recommended by the Board and Nomination and Remuneration Committee and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to section 160 of the Act, be and is hereby appointed as an Non-Executive Independent Director of the Company to hold office for a period of 5 (Five) with effect from March 02, 2021 to March 01, 2026 and he shall not be liable to retire by rotation.”

**By Order of the Board of Directors,  
For Taurus Asset Management Company Ltd.**

**Place: Gurugram**

**Date: June 24, 2021**

**Anu Suri  
(Company Secretary)  
Membership Number: - A27744**

## Notes:

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the prevailing lock down situation across the country due to outbreak of the COVID 19 pandemic and in compliance with social distancing norm, the Ministry of Corporate Affairs vide its General Circular No. 21/2021 dated 13.01.2021 read with General Circular No. 20/2020 dated May 5, 2020, General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as 'MCA Circulars'), has permitted the companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) subject to compliance of various conditions mentioned therein. In compliance to MCA circulars and applicable provisions of Companies Act, 2013, the 28th AGM of the Company is being convened and conducted through VC/OAVM.
3. The company has enabled the Members to participate at the 28th AGM through the VC/OAVM Facility through Skype. The Instructions for participations by members are given in the subsequent paragraph. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-served basis.
4. In compliance with the requirements of the MCA Circulars, the electronic copy of the Notice along with the Annual Report for the financial year ended 31<sup>st</sup> March, 2021 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participant(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
5. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 28<sup>th</sup> AGM is being held through VC / OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 28<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate members are required to send a certified copy (PDF / JPG Format) of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC / OAVM on its behalf, by e-mail through its registered e-mail address to [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com).
7. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. During the 28<sup>th</sup> AGM, the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection and the members seeking to inspect such documents can send an email to [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com).

9. Electronic copy of all the documents referred to in the accompanying Notice of the 28<sup>th</sup> Annual General Meeting are open for inspection at the Meeting and on all working days, except Saturday and Sunday from 11:00 a.m. to 2:00 p.m. up to the ensuing Meeting which can be provided electronically at the request of the members at their registered email address.
10. The Members desirous of seeking any information relating to the annexed Annual Audited Accounts of the Company for the Financial Year ended March 31, 2021, may send through email at [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com), for the attention of Ms. Anu Suri, Company Secretary & Compliance Officer at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
11. Sub Rule 3 of Rule 9A of Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 dated 10.09.2018, which provides that on and after 02<sup>nd</sup> October, 2018 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Members holding shares in physical form are therefore requested to dematerialize their holdings immediately.
12. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
13. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted u/s 72 of the Companies Act, 2013 are requested to fill up the required Form and send the same to the Company Secretary & Compliance Officer at the address mentioned above.
14. The details of the Directors seeking appointment/ re-appointment at the 28<sup>th</sup> AGM as required under SS-2 are provided in Annexure A of this Notice. The Company has received requisite consents/ declarations for the appointment/ re-appointment under the Companies Act, 2013 and the rules made thereunder.
15. Members attending the Annual General Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. As the 28<sup>th</sup> AGM is held through VC / OAVM, the route map is not annexed to this Notice.
17. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC / OVAM ARE AS UNDER:
  - a. Facility for joining the Annual General Meeting through VC / OAVM shall be kept open 15 minutes before the time scheduled to start the meeting and 15 minutes after the expiry of the said scheduled time and members who may like to express their views or ask questions during the Annual General Meeting may register themselves by writing to us on [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com);

The login details for joining the Annual General Meeting are as follows:

- Instructions for Laptop / mobile / tab Participants - Zoom Id details will be provided at later date.

- b. Members who need technical assistance before or during the Annual General Meeting can contact on [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com)
- c. In compliance with the MCA circulars and applicable provisions of the Companies Act, 2013 and rules made thereunder, the members will have a facility to vote on the proposed agenda matters of the Notice convening the AGM, through “Show of hands” as per section 107 of the Act, unless a demand for Poll is made by any member in accordance with section 109 of the Act.
- d. During the meeting held through VC or OAVM facility, where a poll on any items is demanded, the members shall cast their vote on the resolutions only by e-mail through its registered e-mail address on which they have received the Annual General Meeting notice to [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com). Poll papers along with the AGM Notice will be sent to the members and the members are requested to cast their vote on the proposed agenda matters as stated in the notice convening the AGM during the meeting and send it to [anu.suri@taurusmutualfund.com](mailto:anu.suri@taurusmutualfund.com) through your registered email address.

**By Order of the Board of Directors,  
For Taurus Asset Management Company Ltd.**

**Place: Gurugram**

**Date: June 24, 2021**

**Anu Suri  
(Company Secretary)  
Membership Number: - A27744**

**Explanatory Statement Pursuant to section 102 of the Companies Act, 2013**

**ITEM NO. 3**

Dr. Ashok Aggarwal was appointed on the Board of TAMCO as an Additional Director (Independent) w.e.f March 02, 2021 due to resignation of Mr. Puneet Jain who resigned from the Board of Taurus Asset Management Company Limited (“the AMC”) w.e.f. December 03, 2020

In terms of section 160 of the Companies Act, 2013, the Board and Nomination and Remuneration Committee have recommended the appointment of Dr. Ashok Aggarwal as an Independent Director pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013. The company has also received a notice in writing proposing his candidature as Director of the Company.

In the opinion of the Board, Dr. Ashok Aggarwal fulfils the conditions specified in the Companies Act, 2013 and rules thereunder for his appointment as an Independent Director of the Company.

The Company has received from Dr. Ashok Aggarwal, (I). Intimation in form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Ruled 2014 that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act 2013 and (II). A declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act 2013.

Considering their given background and experience and contribution made by them since their appointment, the Board is of the opinion the continued association would be beneficial to the Company. The terms and conditions of appointment is being made available for inspection by the members through electronic mode.

The Board after full consideration has resolved to appoint Dr. Ashok Aggarwal, as a Non-Executive Independent Director, not liable to retire by rotation and Dr. Ashok Aggarwal to hold office of Director as such for five consecutive years for a term upto March 01, 2026.

The Board of Directors recommends the Resolution at item no. 3 of the accompanying Notice for the approval of the Members of the Company as Ordinary resolution.

Except the appointee director, none of the other Director or key managerial personnel of the Company or their relatives are concerned or interested financially or otherwise in the said resolution.

**By Order of the Board of Directors,  
For Taurus Asset Management Company Ltd.**

**Place: Gurugram**

**Date: June 24, 2021**

**Anu Suri  
(Company Secretary)  
Membership Number: - A27744**

**Annexure-A**

Information pursuant to the provisions of the Secretarial Standards on General Meeting (“SS-2”) issued by the Institute of Company Secretaries of India regarding the Directors proposed to be re-appointed by rotation/ re-appointed.

<b>Particulars</b>	<b>Dr. Ashok Aggarwal</b>	<b>Mr. Lalit Bhasin</b>
<b>Date of Birth</b>	November 16, 1963	August 14, 1968
<b>Date of Appointment</b>	March 02, 2021	March 20, 1999
<b>Qualification</b>	Fellow of Indian Institute of Management, Ahmedabad (IIMA) MBA from HP University, Shimla	B.Com
<b>Expertise in Specific areas</b>	Dr. Ashok Aggarwal is a financial professional with more than 25 years of industry experience. He was MD and CEO of Escorts Asset Management Co. Ltd. and Escorts Securities Ltd	Mr. Lalit Bhasin is a commerce graduate from Shri Ram College of Commerce, Delhi University. He brings with him nearly three decades of expertise in the field of management, hospitality, investments and capital market.
<b>List of Directorship in other Public Companies (as on March 31, 2021)</b>	Nil	<b>Listed Companies:</b> 1. HB Portfolio Ltd. 2. HB Stockholdings Ltd. 3. HB Estate Developers Ltd. 4. HB Leasing & Finance Co. Ltd. 5. CHL Ltd. <b>Other Companies:</b> 6. RRB Master Securities Delhi Ltd. 7. RRB House Finance Pvt. Ltd. 8. Pal Properties (India) Pvt. Ltd. 9. HB Financial Consultants Pvt. Ltd. 10. ALMR Gems & Trading Pvt. Ltd
<b>Membership of Committee of the Board in other Public Companies (As on 31st March, 2021)</b>	Nil	<b>Audit Committee</b> 1. HB Leasing & Finance Co. Ltd. (Member) 2. CHL Ltd. (Member) <b>Stakeholders Relationship Committee</b> 3. HB Leasing & Finance Co. Ltd. (Chairman) 4. CHL Limited (Member) <b>Nomination and Remuneration Committee</b> 5. HB Leasing & Finance Co. Ltd. (Member) 6. CHL Ltd. (Member) <b>CSR Committee</b> 7. HB Stockholdings Ltd. (Chairman) 8. Taurus Asset Management Co. Ltd. (Chairman)
<b>Number of shares held in the Company</b>	Nil	Nil

**By Order of the Board of Directors,  
For Taurus Asset Management Company Ltd.**

**Place: Gurugram**

**Date: June 24, 2021**

**Anu Suri  
(Company Secretary)  
Membership Number: - A27744**

**FORM NO. MGT.12****Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

Name of the Company: TAURUS ASSET MANAGEMENT COMPANY LIMITED

Registered office: GROUND FLOOR, AML CENTRE-1, 8 MAHAL INDUSTRIAL ESTATE MAHAKALI CAVE ROAD, ANDHERI (E) MUMBAI – 400 093

**BALLOT PAPER**

S No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	To adopt Audited Balance Sheet of the Company as at March 31, 2021 and the Profit and Loss Account for the year ended on that date together with the report of the Auditor's and Directors' thereon			
2.	To re-appoint Mr. Lalit Bhasin			
3.	To consider appointment of Dr. Ashok Aggarwal as an Independent Director			

Place:

Date:

(Signature of the shareholder)



TAURUS ASSET MANAGEMENT COMPANY LIMITED

CIN: U67190MH1993PLC073154

Head Office & Regd Office : 3rd Floor, 301-304, Chandravillas Co-op Premises Society Ltd., AML Centre 2,

8 Mahal Industrial Estate, Off. Mahakali Caves Road, Andheri-East, Mumbai - 400 093

Tel.: 022 6624 2700 (Board) Fax 022 6624 2777

Email: customercare@taurusmutualfund.com • Website: www.taurusmutualfund.com • Toll Free No. 1800 108 1111

## Directors' Report

### Dear Members

The Directors have pleasure in presenting the 28<sup>th</sup> Annual Report of your Company along with Financial Statement of Accounts for the year ended March 31, 2021.

### Financial Results (Standalone)

(Rs. In Thousands)

Particulars	Financial Year 2020-21	Financial Year 2019-20
Management Fees	62,394	62,984
Other Income	81,706	41,456
<b>Gross Income</b>	<b>1,44,100</b>	<b>1,04,440</b>
Operating Expenditure	91,270	1,36,097
Depreciation and amortization expenses	1,942	1,869
Net Loss on Fair Value Changes	-	30,337
<b>Total expenses</b>	<b>93,212</b>	<b>1,68,303</b>
Profit before finance cost and taxes	50,888	(63,863)
Finance Cost	67	99
<b>Profit/ (Loss) before tax</b>	<b>50,821</b>	<b>(63,962)</b>
Provision for taxes for current years	2,419	-
Provision for taxes for earlier years	-	3
Provision for Deferred Tax/ (Credit)	1,290	112
<b>Profit/ (Loss) for the year</b>	<b>47,111</b>	<b>(64,077)</b>
Other comprehensive Income	991	(5,846)
<b>Total Comprehensive Income</b>	<b>48,102</b>	<b>(69,923)</b>



During the Financial Year ended March 31, 2021, the Management fee declined by 0.94% and total cost also decreased by 44.61 % as compared to last year. Your Company recorded a profit of Rs. 471.11 lakhs after tax as compared to loss of Rs. 640.77 lakhs in the previous year. The profit is mainly on account of drop in operational expenses. Consequently, earnings per share (EPS) are Rs. 2.78 in the financial year ended March 31, 2021 as compared to Rs. (3.78) in the previous year ended March 31, 2021.

### **Dividend**

Your Directors recommend plough back of profits for the growth of the business and therefore, no dividend is recommended for the Financial Year ended March 31, 2021.

### **Transfer to Reserves**

The Company has proposed not to transfer any amount to reserves during the period under review.

### **Deposits**

The Company has neither accepted nor renewed any fixed deposits during the year. There are no outstanding or unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2021.

## **OVERVIEW OF THE MUTUAL FUND INDUSTRY PERFORMANCE**

The Mutual Fund industry in India continued its growth trajectory with average assets under management (AAUM) moving to INR 32.17 lakh crores for the FY ending March 31, 2021 from INR 24.70 lakh crores during the FY ending March 31, 2020. The AAUM witnessed a growth of 30% compared to last year.

The closing net assets of the industry as on March 31, 2021 stood at INR 31.42 lakh crores vis a vis INR 22.26 lakh crores as on March 31, 2020, registering an increase of 41 % in net assets during the year. The net sales of the Industry across all asset classes increased to INR 2.09 lakh crores from INR 0.87 lakh crores in the previous year. The proportionate share of equity-oriented schemes is now almost 32% of the industry's net assets as on March 31, 2021 up from 27% as on March 31, 2020

The Securities and Exchange Board of India (SEBI) announced certain measures to enhance governance, increase transparency and increase investors participation in mutual funds. Some of the key initiatives taken during the year are as under:

1. SEBI has introduced Code of conduct for Fund Managers and Dealer.
2. Guidelines for Vote cast by Mutual Fund. Including their passive Investment scheme. Related party transaction of the investee companies.
3. SEBI has rolled out the Legal Entity code for prevention of Money laundering and maintenance of records.

## **PERFORMANCE OF TAURUS MUTUAL FUND AND ITS FUTURE PLANS**

During the financial year, Taurus Mutual Fund consolidated its operations with focus on equity schemes. The average net assets of the equity schemes of Taurus Mutual Fund for FY 21 were Rs 474.58 crores.

At present, Taurus Mutual Fund manages seven open ended equity oriented schemes and one ELSS scheme.

Going forward, without diluting the focus on the existing operations and the scheme performance, we continue to explore new product ideas, preferably low expense ideas in areas which are as of now not on offer in India, subject to such ideas; meeting the regulations laid down by SEBI. We will continue with these endeavours and research to crystallize on products which are expected to benefit the investors.

### **Internal Control Systems & their adequacy**

Your Company has in place an adequate system of internal controls which provide reasonable assurance with regard to maintaining proper financial records, preserving economy and efficiency of operations, safeguarding assets against unauthorized uses or losses and compliance with applicable laws and regulations etc. External as well as internal auditors also review and advise on these aspects.

### **Code of Conduct for Prohibition of Insider Trading**

Your Company has in place Code of Conduct for Prohibition of Insider Trading Policy which has been laid down in compliance with the provisions of **Regulation 9 of Securities and Exchange Board of India (“SEBI”) (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular** dated January 21, 2019. This Policy pertains to ‘Insider Trading’ which is the act of dealing (buying and / or selling) in the securities, by any connected or deemed to be connected persons while in possession of **any material un-published price sensitive information**, in breach of a fiduciary duty or other relationship of a trust and confidence, to gain personal benefit out of such dealing. Recently SEBI has issued amendments vide its Circular dated March 04, 2021 which was made effective on the company from April 1, 2021.

### **Risk Management**

Your Company has an adequate risk management framework in place, which helps in managing risks in an expeditious and efficient manner. In addition, your Company has adequate checks and balances in place in all its activities, which are independently assessed at regular intervals.

Your Company has put in place a Business Continuity Plan and adopts the practice of reviewing its risk management policies to be in step with the changing environment so as to identify and mitigate its attendant risks in a proactive manner on a continuous basis.

Your Directors are of the view that as on the date of this report, there are no known risks which may threaten the existence of your Company.

## **Share Capital**

The paid up share capital of the Company as on March 31, 2021 is Rs. 16,93,12,360 /- (Rupees Sixteen Crores Ninety Three Lacs Twelve Thousand Three Hundred Sixty only). There is no change in the share capital during the year under review.

## **Board of Directors and Key Managerial Personnel**

The Board of your company as on March 31, 2021 consists of Six (6) Members, three of whom are Non-Executive Independent Directors, two of whom are Non-Executive Directors and one of whom is Managing Director.

In accordance with provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Lalit Bhasin (DIN-00002114) Non-executive Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

In accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Articles of Association of the Company, the Independent Directors and the Managing Director of the Company are not liable to retire by rotation.

Mr. Puneet Jain, resigned from the Board of Taurus Asset Management Company Limited ("the AMC") w.e.f. December 03, 2020 as Independent Director and in his place Dr. Ashok Aggarwal was appointed as Additional Director (Independent) on the Board of TAMCO w.e.f. March 02, 2021.

The above Additional (Independent Director) holds office up to the date of ensuing Annual General Meeting and necessary resolution for the re-appointment of Dr. Ashok Aggarwal including his brief profile and other related information has been included in the Notice convening the ensuing Annual General Meeting. Your Directors recommend his appointment as an Independent Director of the Company.

The 50% Directors are Independent Directors in compliance with the SEBI (Mutual Fund) Regulations.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Companies Act, 2013.

The Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 are Mr. Ravi Kumar Gupta as Managing Director; Mr. Syed Waqar Abbas Naqvi as Chief Executive Officer, Ms. Jinal Mahesh Patel as Chief Financial Officer and Ms. Anu Suri as Company Secretary & Compliance Officer.

### **Declaration of Independence by Independent Directors**

The Company has received declarations from all the independent directors u/s 149(7) of the Companies Act, 2013 affirming that they meet the criteria of independence as provided in section 149(6) of the act.

### **Board Meetings held during the year & Attendance of Directors**

During the year under review, the Board of Directors of your Company met Six (6) times and the gap between two meetings did not exceed one hundred twenty days. The Meetings of Board of Directors were held on June 26, 2020, August 26, 2020, October 28, 2020, December 21, 2020, December 28, 2020 and February 27, 2021 and at all the above mentioned meetings necessary quorum was present. The Board Meetings were attended by all the Directors except Mr. Ravi Kumar Gupta who could not attend the meeting held on August 26, 2020 and Mr. Lalit Bhasin who could not attend the meeting held on October 28, 2020 and were granted leave of absence.

### **Attendance of Directors**

<b>Sl.</b>	<b>Name of the Directors</b>	<b>Executive/ Non-Executive/Independent</b>	<b>No. of Meetings entitled to attend during the year</b>	<b>No. of Meetings attended during the year</b>
1.	Mr. Lalit Bhasin	Non-Executive Director	6	5
2.	Mr. Harbans Lal	Non-Executive Director	6	6
3.	Mr. Ravi Kumar Gupta	Managing Director	6	5
4.	Mr. Rajendra Prasad Tulsian	Non-Executive Independent Director	6	6
5.	Mr. Puneet Jain	Non-Executive Independent Director	3	3
6.	Mr. Krishan Kumar Narula	Non-Executive Independent Director	6	6
7.	Dr. Ashok Aggarwal	Non-Executive Independent Director	0	0

## **Committees of the Board of Directors**

Your Company's Board has constituted the following Committees, as required under the provisions of the Companies Act, 2013:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Share Transfer Committee

### **1) Audit Committee:-**

The Audit Committee of the Company was re-constituted by the Board of Director by circulation on March 18, 2021 consisting of following directors:

Mr. Krishan Kumar Narula - Non - Executive Independent Director - Chairman

Mr. Rajendra Prasad Tulsian - Non - Executive Independent Director - Member

Mr. Harbans Lal – Non - Executive Director - Member

The Members of the Committee possess strong accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committee.

All the recommendations of the Audit Committee were accepted by the Board.

## **Terms of Reference of Committees**

The terms of reference of the Audit Committee conform to the requirements of Section 177 of the Companies Act, 2013:-

- a) To ensure quality of the internal audit function,
- b) To ensure effectiveness of the internal control systems,
- c) Evaluation of internal financial controls and risk management systems,
- d) Examination of the Annual Financial Statements and the Reports of the Auditors thereon,
- e) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company,
- f) Review and monitor auditors' independence and performance, and effectiveness of audit process,
- g) Approval or any subsequent modification of transactions of the company with related parties,
- h) Scrutiny of inter - corporate loans and investments,
- i) Valuation of undertakings / assets of the Company, wherever it is necessary,

- j) Monitoring the end use of Funds raised through public offers and related matters,
- k) Investigate into any matter related to terms of reference and have power to obtain professional advice from external sources and have full access to the information contained in records of the Company,
- l) Call for the comments of the auditors about internal control systems, scope of audit, review of Financial statements before submission of the same to the Board,
- m) Discuss any related issues with the internal & statutory auditors and the management of the Company.

### **Attendance details of the Audit Committee Meetings**

The Meetings of Audit Committees were held on June 26, 2020, August 26, 2020, October 28, 2020, December 28, 2020 and February 27, 2021.

S. No.	Name of the Members	No. of Meetings	
		Held	Attended
1.	Mr. Krishan Kumar Narula	5	5
2.	Mr. Harbans Lal	5	5
3.	Mr. Rajendra Prasad Tulsian	5	5

### **2) Nomination And Remuneration Committee:-**

The Nomination and Remuneration Committee of the Company was re-constituted by the Board of Director at its Board Meeting held on December 28, 2020 consisting of following directors:

Mr. Rajendra Prasad Tulsian - Non - Executive Independent Director - Chairman

Mr. Harbans Lal - Non - Executive Director - Member

Mr. Krishan Kumar Narula – Non - Executive Independent Director - Member

### **Terms of Reference of Committees**

The terms of reference of the Nomination & Remuneration Committee conform to the requirements of Section 178 of the Companies Act, 2013 :-

- a) to identify persons qualifying to become Directors, and who may be appointed in Senior Management,
- b) Recommend to Board their appointment and removal,
- c) Carry out evaluation of every Director's performance,

- d) Formulate criteria to determine qualifications, positive attributes and independence of a director,
- e) Recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

### **Attendance details of the Nomination & Remuneration Committee Meetings**

During the year under review, Two (2) Nomination & Remuneration Committee Meetings were held on August 26, 2020 and February 27, 2021.

S. No.	Name of the Members	No. of Meetings	
		Held	Attended
1.	Mr. Rajendra Prasad Tulsain	1	1
2.	Mr. Krishan Kumar Narula	3	3
3.	Mr. Harbans Lal	3	3
4.	Mr. Puneet Jain*	1	1

\* Mr. Puneet Jain ceased to be director of the company w.e.f. December 03, 2020

### **3) Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility (CSR) Committee of the Company was re-constituted by the Board of Director by circulation on March 18, 2021 consisting of following directors:

Mr. Lalit Bhasin – Non-Executive Director - Chairman

Mr. Ravi Kumar Gupta – Managing Director – Member

Dr. Ashok Aggarwal – Non-Executive Independent Director - Member

Mr. Krishan Kumar Narula – Non-Executive Independent Director - Member

### **Attendance details of the Corporate Social Responsibility (CSR) Committee**

During the year under review, One (1) Corporate Social Responsibility Committee Meeting was held on February 17, 2021.

S. No.	Name of the Members	No. of Meetings	
		Held	Attended
1.	Mr. Lalit Bhasin	1	1
2.	Mr. Ravi Kumar Gupta	1	1
3.	Mr. Harbans Lal*	1	1
4.	Mr. Krishan Kumar Narula	1	1
5.	Dr. Ashok Aggarwal	0	0

\*Mr. Harbans Lal ceased to be member of the Committee.

#### **4) Share Transfer Committee**

The Company has Share Transfer Committee consisting of following directors:

Mr. Harbans Lal – Non-Executive Director - Chairman

Mr. Rajendra Prasad Tulsian – Non-Executive Independent Director - Member

Mr. Krishan Kumar Narula – Non-Executive Independent Director - Member

No Committee meeting was held during the Financial Year.

#### **Board Evaluation**

The evaluation of Non-Independent Directors, Chairman and the Board as a whole was done at a separate meeting held by Independent Directors on February 12, 2021.

The performance evaluation of Independent Directors was done by entire Board, excluding Directors being evaluated.

#### **Internal Complaints Committee**

Your Company has Internal Complaints Committee (hereinafter referred to as “Committee”) pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (‘POSH Act’) and the rules made thereunder to deal with the complaints relating to sexual harassment of women employees.

During the year under review, no complaint of sexual harassment from any employee was received by the Committee.

#### **Vigil Mechanism and Whistle Blower Policy**

Pursuant to Section 177 of the companies act, 2013, the company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, actual or suspected fraud, violation of Code of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc. The vigil mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no complaint was received.

#### **Particulars of frauds reported by the auditors’**

In terms of Section 143(12) of the Act, M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, the Statutory Auditors of the Company have not reported any instance of fraud having taken place during the year under review, in their Audit Report.



### **Compliance with secretarial standards**

The Company has complied with the applicable Secretarial Standards prescribed under section 118(10) of the Act.

### **Material Changes and Commitments if any, Affecting the Financial Position of the company occurred between the end of the financial Year to which these Financial statements relate and the date of the Report.**

No material changes and commitments affecting the financial position of the Company occurred from the end of the financial year 2020-21 till the date of this report. Further, there was no change in the nature of the business of the Company.

### **Significant and material orders passed by the regulators**

A show cause notice, issued by the SEBI vide letter no. EAD5/MC/VS/2020/10554/1-6 dated May 06, 2020 to 6 entities, i.e., Taurus Investment Trust Co. Ltd (TITCO), Mr. Waqar Naqvi (CEO), Ms. Anu Suri (Company Secretary & Compliance Officer), Mr. Amarjeet Singh, Mr. Dheeraj Singh and Mr. Archit Shah (Ex-Employees) of TAMCO under Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, ("Adjudication rules") in the BILT Matter in their meeting held on June 22,2020. In response to the SCN a consent application was filed on June 10, 2020 by all the 6 noticees for a proposed joint settlement amount of INR 29,45,250 (Rupees Twenty-Nine Lakh Forty-Five Thousand Two Hundred and Fifty) to settle the allegation made against all the notices through the asset management company.

An Internal Committee meeting was convened by SEBI on February 17, 2021, the Authorised Legal Representative of TITCO and other noticees, attended the meeting and proposed the revised settlement amount to INR 40,67,250 (Rupees Forty Lakh Sixty-Seven Thousand Two Hundred and Fifty only) towards Joint and Several Liability of all the noticees named in the SCN. A further confirmation letter vide dtd 19-02-2021 by the authorized representative of TITCO, was submitted to SEBI to confirm the acceptance to pay the revised settlement amount of INR 40,67,250. SEBI vide mail dated 15-06-2021 has intimated that the High Powered Advisory committee (HPAC) of SEBI has recommended that the matter may be settled upon the payment of Rs.40,67,250 (Rs. Forty Lakhs Sixty Seven Thousand Two Hundred Fifty Only) as per settlement terms within 15 days in terms of Regulation 15(2) of the (Settlement Regulation) to process the application for disposal. Accordingly, the settlement amount has been paid on June 21, 2021 i.e. within the stipulated time given by the SEBI.

### **Indian Accounting Standards**

The financial statements for the year ended March 31, 2021 are prepared in accordance with Ind AS as notified under the Companies Act 2013. Effective 1st April, 2019, the Company has adopted all the Ind AS standards as applicable and the adoption was carried out in accordance with Ind AS 101.

## **Subsidiaries, Joint Ventures & Associate Companies**

Your Company does not have any Subsidiary, Joint Venture or Associate Company.

## **Statutory Auditors**

M/s. Thakur Vaidyanath Aiyar & Co, Chartered Accountants, were appointed as Statutory Auditors of your Company, for a period of five consecutive years from conclusion of the Twenty Fourth Annual General Meeting till the conclusion of the Twenty Ninth Annual General Meeting of the Company subject to ratification at every Annual General Meeting.

Pursuant to the provisions of Companies Amendment Act, 2017 effective from 7<sup>th</sup> May 2018 the requirement of ratification of appointment of auditor at every Annual General Meeting is no more required. Therefore, the ordinary business for ratification has not been placed in the notice to the shareholder for the ensuing general meeting.

## **Secretarial Audit**

As per Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 w.e.f. 31<sup>st</sup> March 2019, every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit.

Pursuant to this Regulation, **Rashmi Sahni, Practicing Company Secretary** was appointed Secretarial Auditor of the Company for the F.Y. 2020-21.

## **Auditor's Report and Secretarial Audit Report**

The Auditors' Report for the year ended March 31, 2021 does not contain any qualification, reservation or adverse remark and therefore do not call for any further comments. And the Secretarial Audit report does not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial Audit Report is attached to this report as "**Annexure-1**".

## **Extract of Annual Return**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is Annexed to this report as "**Annexure 2**".

## **Corporate Social Responsibility (CSR)**

The Company has constituted a Corporate Social Responsibility Committee in June 2015 pursuant to Section 135 of the Companies Act, 2013. The Company's average profit for the last three financial years is negative Rs. (453.02 Lacs); therefore, in compliance of provisions of Section 135(5) of Companies Act, 2013, the prescribed CSR expenditure was not required to be spent on the CSR activities in the current financial year.

The Annual Report on CSR activities along with the Corporate Social Responsibility Policy of your company is annexed to this report as "**Annexure 3**".

## **Nomination and Remuneration Policy**

The Nomination and Remuneration Committee has formulated a Nomination & Remuneration Policy which includes the criteria for determining qualifications, positive attributes and independence of a director, parameters for remuneration of directors, Key Managerial Personnel and Senior Management and evaluation procedure for directors, Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Policy of your company is annexed to this report as “Annexure 4”.

## **Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo**

Information as required under section 134(3) (m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy and Technology Absorption, as applicable, is given under:

### **Conservation of Energy**

Your Company being service provider requires minimal energy consumption. However, every endeavour is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. No steps were undertaken by the Company for utilizing alternate source of energy. No capital investment was made in particular on energy consumption equipment.

### **Technology Absorption**

In its endeavour to deliver the best to its customers and business partners, your Company is constantly active in harnessing and tapping the latest and best technology in the industry. No expenditure was incurred on research and development during the year.

The details foreign exchange earnings and outgo is given below:

(Amount in Rs.)

	<b>For the year ended 31<sup>st</sup> March, 2021</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
Foreign Exchange earning	Nil	Nil
Foreign Exchange outgo (Brokerage Expense)	Nil	Nil

## **Maintenance of Cost Records**

The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company’s services. Accordingly, the company is not required to make and maintain accounts and records as required under the said section.

## **Particulars of loans, guarantees or investments u/s 186 of the Companies Act, 2013**

Details of Loans, Guarantees and Investments covered under the Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

## **Related Party Transactions**

All contracts or arrangements or transactions entered into by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The related party transactions are disclosed in the enclosed financial statements.

During the year under review, the Company has not entered into any contracts or transactions or arrangements with related parties attracting provisions of section 188 of the Companies Act, 2013. The required disclosure in Form AOC-2 is enclosed to this report as "**Annexure 5**".

## **Particulars of Employees**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed to this report as "**Annexure 6**".

The total number of employees in your Company as on March 31, 2021 was 46.

## **Directors' Responsibility Statement**

In accordance with the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i. in the preparation of the annual accounts, all applicable accounting standards have been followed along with proper explanation relating to the material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended March 31, 2021 and of the profit of the Company for the period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **Acknowledgement**

The Directors' wish to place on record their appreciation for employees at all levels for their dedication and commitment and also of the investor service centers, distributors and other

service providers for their commitment and look forward to their continued support and above all for the faith imposed by the investors in the various schemes of the Fund.

The Directors also acknowledge the valuable assistance, support and guidance given by the Board of Trustees, the Securities and Exchange Board of India, Reserve Bank of India, Unit

holders, Auditors and Bankers. Finally, the Directors would like to convey their gratitude to the members and look forward for their continued support.

**For and on behalf of the Board  
Taurus Asset Management Company Limited**

**Place: Gurugram  
Date: June 24, 2021**

**Harbans Lal  
Director  
DIN : 00076405**

**R K Gupta  
Managing Director  
DIN: 00021659**

**ANNEXURE INDEX**

<b><u>Annexure</u></b>	<b><u>CONTENT</u></b>
1	Secretarial Auditor Report in MR-3
2	Annual Return Extracts in MGT 9
3	Annual Report on CSR Activities and Corporate Social Responsibility Policy
4	Nomination and Remuneration Policy
5	Related Party Transactions in Form AOC – 2
6	Particulars of Employees



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2021**

**[Pursuant to Section 204(1) of the Companies Act, 2013, and the rules made thereunder for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,

The Members,

**Taurus Asset Management Company Limited**

AML Centre - 1, 8 Mahal Industrial Estate, Mahakali Caves Road,  
Andheri (East) Mumbai, Mumbai City, Maharashtra-400093, India.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Taurus Asset Management Company Limited" (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**Management's Responsibility for Secretarial Compliances**

The Company's Management is responsible for preparation and maintenance of Secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the Company with respect to Secretarial Compliances.

**Opinion**

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31.03.2021, generally complied with the statutory provisions listed hereunder and also that the Company has in proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(not applicable since there is no action/ event in pursuance of said regulation)*
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(not applicable during the Audit Period)*
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(not applicable during the Audit Period)*
  - (d) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; *(to the extent applicable during the Audit Period)*
  - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014; *(not applicable during the Audit Period)*
  - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(not applicable during the Audit Period)*
  - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(not applicable during the Audit Period)*
  - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(not applicable during the Audit Period)* and
  - (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(not applicable during the Audit Period)*

The Company has identified the following laws specifically applicable to the Company and/or followed by the Company:

- (i) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- (ii) The Payment of Bonus Act, 1965
- (iii) The Payment of Gratuity Act, 1972
- (iv) Maharashtra Labour Welfare Fund Act 1953
- (v) Income Tax Act, 1961
- (vi) Goods and Service Tax Act 2017
- (vii) Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act, 2017

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

1. The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the relevant provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board/ Committee of the Board, respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors present; and
4. The Company has proper Board processes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the financial year under review, there are no specific events having any major bearing on the Company's affairs in pursuance of the law, regulations, guidelines, standards, etc,

**Date: 21-06-2021**  
**Place: Delhi**

**Rashmi Sahni**  
**Practicing Company Secretary**  
**Membership No: 25681**  
**Certificate Practice No. 10493**  
**UDIN: A025681C000489751**

## **Annexure A**

To,  
The Members  
Taurus Asset Management Company Limited  
AML Centre - 1, 8 Mahal Industrial Estate, Mahakali Caves Road,  
Andheri (East) Mumbai, Mumbai City, Maharashtra-400093, India.

Our report of even date is to be read along with this letter:

### Management's Responsibility:

- a. The compliance of provisions of all laws, rules, regulations, standards applicable to Taurus Asset Management Company Limited (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
- b. Maintenance of Secretarial record and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

### Auditor's Responsibility:

- c. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- d. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- e. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- f. The Compliance of the provisions of corporate and other applicable laws, and regulations, standards is the applicability of management. Our examination was limited to the verification of procedures on test basis.

### Disclaimer:

- g. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date: 21-06-2021**

**Place: Delhi**

**Rashmi Sahni**  
**Practicing Company Secretary**  
**Membership No: 25681**  
**Certificate Practice No. 10493**  
**UDIN: A025681C000489751**

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended March 31, 2021

of

Taurus Asset Management Company Limited

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS</b>		
<b>CIN</b>	U67190MH1993PLC073154	
<b>Registration Date</b>	July 27, 1993	
<b>Name of the Company</b>	Taurus Asset Management Company Limited	
<b>Category / Sub-Category of the Company</b>	Public Limited	
<b>Address of the Registered Office and contact details</b>	AML Centre - 1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai - 400093, Maharashtra Email:- rkgupta@taurusmutualfund.com	
<b>Whether listed Company</b>	No	
<b>Name, Address and contact details of Registrar &amp; Transfer Agents (RTA), if any</b>	Bigshare Services Pvt. Ltd. 302, Kushal Bazar 32-33, Nehru Place, New Delhi-110019 Tel: 011-42425004, 47565852 E-mail: yksinghal@bigshareonline.com Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>	
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>		
All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-		
<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
Management of Mutual Funds	66301	65.54%
Other income from interest, inter corporate deposits, Dividend	64300	34.46%



(b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2):</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>11872118</b>	<b>Nil</b>	<b>11872118</b>	<b>70.12</b>	<b>16931176</b>	<b>Nil</b>	<b>16931176</b>	<b>99.99</b>	<b>29.88</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total B(1):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
<b>(a) Bodies Corp.</b>									
(i) Indian	5059058	Nil	5059058	29.88	Nil	Nil	Nil	Nil	(29.88)
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal	Nil	60	60	Negligible	Nil	60	60	Negligible	Nil

share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total B)(2):-</b>	<b>5059058</b>	<b>60</b>	<b>5059118</b>	<b>29.88</b>	<b>Nil</b>	<b>60</b>	<b>Nil</b>	<b>Nil</b>	<b>(29.88)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>5059058</b>	<b>60</b>	<b>5059118</b>	<b>29.88</b>	<b>Nil</b>	<b>60</b>	<b>Nil</b>	<b>Nil</b>	<b>(29.88)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>16931176</b>	<b>60</b>	<b>16931236</b>	<b>100</b>	<b>16931176</b>	<b>60</b>	<b>16931236</b>	<b>100</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	HB Portfolio Ltd	11872118	70.12	Nil	16931176	99.99	Nil	29.88

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. NO.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	HB Portfolio Ltd	11872118	70.12	16931176	99.99

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>RRB Securities Limited</b>				
	At the beginning of the year	5059058	29.88		
	Disposal of shares during the period	(5059059)	(29.88)	Nil	Nil
	At the end of the year			Nil	Nil
2.	<b>Mr. Rajesh Pillai</b>				
	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible
3.	<b>Mrs. Suzanne Pillai</b>				
	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible
4.	<b>Mr. Tarun Ruparel</b>				
	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible
5.	<b>Mr. Rajendra Kangane</b>				
	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible
6.	<b>Mr. Amarjeet Singh</b>				

	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible
7.	<b>Mr. Waqar Naqvi</b>				
	At the beginning of the year	10	Negligible		
	At the end of the year			10	Negligible

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Mr. Waqar Naqvi</b>				
	At the beginning of the year	10	negligible		
	At the end of the year			10	Negligible

**V. INDEBTEDNESS**

**Indebtedness of the company including interest outstanding/accrued but not due for payment:**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				



• Addition	0	0	0	0
• Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	0	0	0	0
ii)Interest due but not paid	0	0	0	0
iii)Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.	Particulars of Remuneration	Name of MD	Total Amount (Rs.)
		<b>Mr. R.K. Gupta</b>	
1.	<b>Gross salary</b>		37,02,830
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,70,430	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32400	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	Nil
2.	Stock Option	NA	NA
3.	Sweat Equity	NA	NA
4.	Commission - as % of profit	NA	NA
5.	Others, please specify	-	-
	<b>Total (A)</b>	37,02,830	37,02,830
	Ceiling as per the Act	As per resolutions passed by Nomination & Remuneration Committee, Board of Directors and shareholders'.	

**B. Remuneration to other directors:**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.) Per Annum
		Dr. Ashok Aggarwal*	Mr. Puneet Jain*	Mr. Rajendra Prasad Tuslian	Mr. Krishan Kumar Narula	
1	<b>Independent Directors</b>					
A	Fee for attending Board Meetings	-	60,000	1,20,000	1,20,000	3,00,000
B	Fee for attending Committee Meetings	10,000	60,000	2,00,000	1,60,000	4,30,000
C	Commission	N.A.	N.A.	N.A.	N.A.	N.A.
D	<b>Others:</b> Independent Directors' Meeting	-	-	10,000	10,000	20,000
<b>Total (1)</b>		<b>10,000</b>	<b>1,20,000</b>	<b>3,30,000</b>	<b>2,90,000</b>	<b>7,50,000</b>

S.No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs.) Per Annum
		Mr. Lalit Bhasin	Mr. Harbans Lal	
2.	<b>Other Non-Executive Directors</b>			
A	Fee for attending Board Meetings	1,00,000	1,20,000	2,20,000
B	Fee for attending Committee Meetings	20,000	1,90,000	2,10,000
C	Commission	N.A.	N.A.	0
D	Others	-	-	0
<b>Total (2)</b>		<b>1,20,000</b>	<b>3,10,000</b>	<b>4,30,000</b>
<b>TOTAL (B) = (1+2)</b>				<b>11,80,000</b>

**\* Note:**

1. Mr. Ashok Aggarwal was appointed as Additional Director (Category: Independent, Non-executive) w.e.f. March 02, 2021
2. Mr. Puneet Jain ceased to be director of the company w.e.f. December 03, 2020

**C. Remuneration to key managerial personnel other than MD / Manager / WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer - Mr. Waqar Naqvi	Chief Financial Officer Ms. Jinal Patel	Company Secretary - Ms. Anu Suri	Total (Rs. per annum)
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,18,88,012	8,83,430	8,27,164	1,35,98,606
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,43,035	0	0	7,73,035
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission - as % of profit - others, specify	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	<b>Total</b>	1,26,31,047	8,83,430	8,27,164	1,43,41,641

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**For and on behalf of the Board**  
**Taurus Asset Management Company Limited**

**Place: Gurugram**  
**Date: June 24, 2021**

**Harbans Lal**  
**Director**  
**DIN : 00076405**

**R K Gupta**  
**Managing Director**  
**DIN: 00021659**

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]**

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

Taurus Asset Management Company Limited CSR Policy emphasis will be on assisting groups belonging to the weaker and downtrodden sections of society by providing avenues for improvement of their economic condition and other activities, as part of its corporate social responsibility initiatives, which are defined in Schedule VII of the Companies Act 2013.

- 2. The Composition of the CSR Committee**

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was re-constituted by the Board of Director of the Company by circulation on March 18, 2021 consisting of following directors:

Mr. Lalit Bhasin – Non-Executive Director - Chairman

Mr. Ravi Kumar Gupta – Managing Director – Member

Mr. Harbans Lal – Non-Executive Director - Member

Mr. K K Narula – Non-Executive Independent Director - Member

- 3. Average net profit of the company for last three financial years – Rs. (1,51,00,682)**
- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) - Nil**
- 5. Details of CSR spent during the financial year.**
  - (a) Total amount to be spent for the financial year - Nil**
  - (b) Amount unspent, if any – Nil**
  - (c) Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs <b>Sub -heads:</b> (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementi ng agency*
Nil							

**6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-

**Dr. Ashok Aggarwal  
Member**

Sd/-

**Lalit Bhasin  
Chairman**

Sd/-

**R K Gupta  
Member**

Sd/

**Krishan Kumar Narula  
Member**

## **NOMINATION AND REMUNERATION POLICY**

The Board of Directors of Taurus Asset Management Company Limited (“the Company”) re-constituted the “Nomination and Remuneration Committee” at the Meeting held on June 21, 2014 with immediate effect, consisting of three (3) Non-Executive Directors of which majority are Independent Directors.

### **1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

### **2. DEFINITIONS**

- 2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company including Independent Directors.
- 2.4. **Key Managerial Personnel** means
  - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
  - 2.4.2. Whole-time director;
  - 2.4.3. Chief Financial Officer;
  - 2.4.4. Company Secretary; and
  - 2.4.5. such other officer as may be prescribed.
- 2.5. **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### **3. ROLE OF COMMITTEE**

#### **3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- 3.1.1.** Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2.** Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 3.1.3.** Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- 3.1.4.** Formulate the criteria for determining the manner for effective evaluation of performance of Board, its committees and individual directors.

#### **3.2. Policy for appointment and removal of Director, KMP and Senior Management**

##### **3.2.1. Appointment criteria and qualifications**

- a)** The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b)** A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c)** The Company shall not appoint or continue the employment of any person as Managing Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### **3.2.2. Term / Tenure**

###### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

###### **b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's



report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and where such person is serving as a Whole-time Director of a listed company then the number of directorship is restricted to three listed companies as an Independent Director or such other number as may be prescribed under the Act.

### **3.2.3. Evaluation**

The Committee shall carry out evaluation of performance of every individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board at regular interval (yearly).

### **3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **3.2.5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **3.3. Policy relating to the Remuneration for the Managing Director, KMP and Senior Management Personnel**

### **3.3.1. General:**

- a) The remuneration / compensation / commission etc. to the Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association

of the Company and as per the provisions of the Act.

- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

**a) Fixed pay:**

The Managing Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

**b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**c) Provisions for excess remuneration:**

If Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**3.3.3. Remuneration to Non- Executive / Independent Director:**

**a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

**b) Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, as the Board may decide in this regard. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**d) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**4. MEMBERSHIP**

**4.1** The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

**4.2** Minimum two (2) members shall constitute a quorum for the Committee meeting.

**4.3** Membership of the Committee shall be disclosed in the Annual Report.

**4.4** Term of the Committee shall be continued unless terminated by the Board of Directors.

**5. CHAIRPERSON**

**5.1** Chairperson of the Committee shall be an Independent Director.

**5.2** Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

**5.3** In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

**5.4** Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held as may be required.

## **7. COMMITTEE MEMBERS' INTERESTS**

- 7.1** A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

## **9. VOTING**

- 9.1** Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2** In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## **10. NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- 10.1** Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2** Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3** Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4** Determining the appropriate size, diversity and composition of the Board;
- 10.5** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6** Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.6** Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

- 10.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.9 Recommend any necessary changes to the Board; and
- 10.10 Considering any other matters, as may be requested by the Board.

## **11. REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- 11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

## **12. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**Form AOC-2**

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis – **Not Applicable**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship- ***HB Securities Limited (Enterprises over which Directors exercise significant influence)***
- (b) Nature of contracts/arrangements/transactions – ***Depository Charges***
- (c) Duration of the contracts / arrangements/transactions – ***On Going***
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: ***Rs. 5719/-***
- (e) Date(s) of approval by the Board, if any: ***23<sup>rd</sup> August, 2006***
- (f) Amount paid as advances, if any: ***Nil***

## Annexure -6

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (Rs. per annum)	Nature of employment (Contractual or otherwise)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	% of equity shares held	whether relative of any Director / Manager
1	Waqar Naqvi	Chief Executive Officer	1,37,28,573	Permanent	B.COM., MBA , ICWA	28 Years	53 Years	1st Feb 2008	Birla Sunlife AMC	Insignificant	NIL
2	Ravi Kumar Gupta	Managing Director	40,43,625	Permanent	B.COM		73 Years	11th Mar 1996		NIL	NIL
3	Prasanna Pathak	Head-Equity & Fund Manager	32,81,250	Permanent	B.Tech, MBA	20 Years	43 Years	30 May 2017	Florintree Advisors	NIL	NIL
4	Kamal Mehta	Head - Retail Sales	28,54,427	Permanent	MBA, BCOM	20 Years	46 Years	07 February 2011	Sanlam Investment Management	NIL	NIL
5	Yashpal Sharma	Vice President & Principal Officer	23,62,500	Permanent	B.SC., MBA	21 Years	46 Years	07 December 2017	Stocks & Securities Ltd.	NIL	NIL
6	Deepa Varshnei	Executive Vice President	21,68,221	Permanent	B.Com (Hons)/ CAIIB	34 Years	59 Years	06 January 2001	PNB Bank	NIL	NIL
7	Chandrakant Gajane	Vice President	17,39,240	Permanent	M.COM	27 Years	53 Years	18 September 2008	L & T M fund AMC (Earstwhile Cholamandalam Invst & Finance Co.Ltd)	NIL	NIL
8	Yogesh Wadhwa*	Head - Retail Sales North India	11,34,956	Permanent	B. COM , PGDBA	23 yrs	45 Years	18 July 2014	V R Investments	NIL	NIL
9	Alok Singh	Fund Manager - Liquid	10,91,565	Permanent	B. COM , MBA - Finance	12 yrs	38 Years	27 August 2015	Aviva Life Insurance	NIL	NIL
10	Shalini Sudhir Saralaya	Assistant Vice President-HR	10,67,500	Permanent	B. COM , PGDHRD	22 yrs	44 Years	22 June 2018	Mizuho Securities India Pvt. Ltd.	NIL	NIL

### Notes:

1. Remuneration includes salary, house rent allowance, medical reimbursement, LTA, company's contribution to provident fund and perquisites. Value of perquisites has been calculated on the basis of Income-Tax Act, 1961.
2. Information about qualification, experience and last employment are based on particulars furnished by the employee concerned.

3. None of the employee (except Mr. Waqar Naqvi) or their spouse or dependent children holds any equity shares in the Company.
4. The Managerial Personnel are not relatives of any of the Directors of the Company.
5. Mr. Yogesh Wadhwa resigned from the services of the Company w.e.f March 05, 2021.

**For and on behalf of the Board**  
**Taurus Asset Management Company Limited**

**Place: Gurugram**  
**Date: June 24, 2021**

**Harbans Lal**  
**Director**  
**DIN : 00076405**

**R K Gupta**  
**Managing Director**  
**DIN: 00021659**



INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
TAURUS ASSET MANAGEMENT COMPANY LIMITED

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of Taurus Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including the total comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the Companies Act 2013 read with – Schedule V of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company

to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act 2013.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations on its financial position which would impact its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
FRN: 000038N

(M.P. Thakur)  
Partner  
M. No. : 052473

Place: Gurugram  
Date: 24.06.2021

UDIN:- 21052473AAAABN1579

*Annexure "A" to the Independent Auditor's Report*  
TAURUS ASSET MANAGEMENT COMPANY LIMITED

*(referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report of even date on the Financial Statements for the year ended March 31, 2021)*

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The company does not own any Immovable properties during the financial year on March 31, 2021 and hence paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company is a service company primarily rendering asset management services. Accordingly, it does not hold any inventories and hence paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly the provisions of clause 3(iii)(a) (b) and (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 186 of the Act w.r.t. the loans and investments made, however the company has not given any loans as covered under section 185 of the Act.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amount is payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
  - (b) According to the information and explanations given to us, there are no dues in respect of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any disputes.
- (viii) The Company has not taken loans or borrowing from financial institutions, bank, Government or debenture holders and, hence this clause of the order is not applicable.

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) According to the information and explanation provided by the management and based upon the audit procedures performed, we report that no frauds by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information & explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) As per the information provided, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 for the financial year 2020-21 as evidenced from the last audited balance sheet of the company for the year ended 31.03.2020.

For Thakur, Vaidyanath Aiyar &Co.  
Chartered Accountants  
FRN: 000038N

(M.P. Thakur)  
Partner  
M. No. : 052473

Place: Gurugram  
Date: 24.06.2021

UDIN:- 21052473AAAABN1579

Annexure 'B' To The Independent Auditor's Report on the Financial Statements of Taurus Asset Management Company Limited of even date.

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of TAURUS ASSET MANAGEMNET COMPANY LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Thakur, Vaidyanath Aiyar & Co.  
Chartered Accountants  
FRN: 000038N

(M.P. Thakur)  
Partner  
M. No. : 052473

Place: Gurugram  
Date : 24.06.2021

UDIN :- 21052473AAAABN1579



**TAURUS ASSET MANAGEMENT COMPANY LTD**  
**Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093**  
**(CIN : U67190MH1993PLC073154)**  
**Balance Sheet as at 31st March 2021**

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>I Financial Assets</b>			
(a) Cash and cash equivalents	3	80,87,798	66,00,016
(b) Bank balances other than cash and cash equivalents	4	-	1,00,00,000
(c) Receivables	5	74,40,304	17,43,163
(d) Loans	6	35,05,68,568	30,05,82,056
(e) Investments	7	21,57,62,881	21,01,04,088
(f) Other financial assets	8	27,49,849	23,99,069
Total Financial Assets		58,46,09,401	53,14,28,392
<b>II Non Financial Assets</b>			
(a) Current tax assets (net)	9	1,48,93,634	2,81,13,182
(b) Property, Plant and Equipment	10	27,84,957	32,52,323
(c) Right of Use Lease Assets	11	4,69,120	10,32,064
(d) Other Intangible Assets	12	3,62,857	4,64,098
(e) Other Non Financial Assets	13	1,02,45,520	1,73,71,234
Total Non Financial Assets		2,87,56,089	5,02,32,901
<b>Total</b>		<b>61,33,65,490</b>	<b>58,16,61,293</b>
<b>LIABILITIES AND EQUITY</b>			
<b>I Financial Liabilities</b>			
(a) Trade Payables	14		
- total outstanding dues of micro enterprises and small enterprises		1,64,476	4,93,566
- total outstanding dues of creditors other than micro enterprises and small enterprises		23,03,971	31,23,717
(b) Other Financial Liabilities	15	5,31,565	10,96,779
Total financial liabilities		30,00,012	47,14,062
<b>II Non-financial liabilities</b>			
(a) Provisions	16	1,23,54,815	1,20,85,347
(b) Deferred Tax Liabilities (net)	17	19,37,880	3,83,986
(c) Other Non financial Liabilities	18	75,13,963	2,40,21,320
Total non financial liabilities		2,18,06,657	3,64,90,653
<b>III Equity</b>			
(a) Equity share capital	19	16,93,12,360	16,93,12,360
(b) Other Equity	20	41,92,46,461	37,11,44,218
Total Equity		58,85,58,821	54,04,56,578
<b>Total</b>		<b>61,33,65,490</b>	<b>58,16,61,293</b>

The accompanying notes 1 to 50 form an integral part of the financial statements.

As per our report of even date attached

**For Thakur, Vaidyanath Aiyar & Co.**

Chartered Accountants

Firm Regn. No. 000038N

For and on behalf of the Board of Directors

**M.P. Thakur**

Partner

Membership No. 052473

**Harbans Lal**

Director

DIN: 00076405

**R.K. Gupta**

Managing Director

DIN: 00021659

**Waqar Naqvi**

Chief Executive Officer

**Jinal Patel**

Chief Financial Officer

**Anu Suri**

Company Secretary

Membership No. 27744

Place : Gurugram

Date : 24.06.2021

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	Note No.	For the year ended 31st March , 2021	For the year ended 31st March, 2020
<b>Revenue:</b>			
<b>Revenue from operations</b>			
Interest Income	21	3,21,45,306	4,01,00,555
Dividend Income	22	6,56,728	3,86,737
Fees	23	6,23,93,785	6,29,84,375
<b>Total Revenue from operations</b>		<b>9,51,95,819</b>	<b>10,34,71,668</b>
Net Gain on Fair Value Changes	26	4,88,97,219	-
Other income	24	6,824	9,67,806
<b>Total Income</b>		<b>14,40,99,861</b>	<b>10,44,39,474</b>
<b>Expenses :</b>			
Finance costs	25	67,411	98,683
Net Loss on Fair Value Changes	26	-	3,03,36,589
Employee benefits expense	27	5,29,34,915	7,18,42,966
Depreciation and amortization expense	28	19,41,829	18,69,374
Other expenses	29	3,83,34,998	6,42,54,142
<b>Total Expenses</b>		<b>9,32,79,153</b>	<b>16,84,01,754</b>
<b>Profit/(Loss) before tax</b>		<b>5,08,20,709</b>	<b>(6,39,62,281)</b>
<b>Tax expense :</b>			
Current tax		24,19,528	-
Tax for earlier years		-	3,387
Deferred tax		12,89,624	1,11,533
		37,09,152	1,14,920
<b>Profit/ (Loss) after tax for the year (A)</b>		<b>4,71,11,557</b>	<b>(6,40,77,200)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss			
a) Remeasurement gain/(loss) on defined benefit plans		12,18,108	3,93,513
Less: income tax effect on above		2,89,844	1,09,475
b) Net change in fair value of investments in Equity instruments carried at fair value through OCI		36,848	(71,20,851)
Less: income tax effect on above		(25,575)	(9,90,308)
<b>Total other comprehensive income, net of tax (B)</b>		<b>9,90,686</b>	<b>(58,46,505)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>4,81,02,243</b>	<b>(6,99,23,706)</b>
<b>Earnings per equity share</b>			
Basic (Rs.)	30	2.78	(3.78)
Diluted (Rs.)		2.78	(3.78)

The accompanying notes 1 to 50 form an integral part of the financial statements.

As per our report of even date attached  
**For Thakur, Vaidyanath Aiyar & Co.**  
 Chartered Accountants  
 Firm Regn. No. 000038N

For and on behalf of the Board of Directors

**M.P. Thakur**  
 Partner  
 Membership No. 052473

**Harbans Lal**  
 Director  
 DIN: 00076405

**R.K. Gupta**  
 Managing Director  
 DIN: 00021659

Place : Gurugram  
 Date : 24.06.2021

**Waqar Naqvi**  
 Chief Executive Officer

**Jinal Patel**  
 Chief Financial Officer

**Anu Suri**  
 Company Secretary  
 Membership No. 27744

**Cash Flow Statement for the year ended 31st March, 2021**

(Amount in Rs.)

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(A)	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) before tax	5,08,20,709	(6,39,62,281)
	<b>Adjustments for:</b>		
	Depreciation and amortisation	19,41,829	18,69,374
	(Gain) / Loss on sale/discard of property plant and equipment (net)	1,02,042	18,465
	Finance Cost	67,411	98,683
	Unrealised (gain) / loss on financial assets measured at fair value through Profit or Loss (FVTPL)	(3,78,04,589)	5,11,47,374
	Gain on redemption of units of mutual funds & Profit on sale of investments	(1,10,92,630)	(2,08,10,785)
	Actuarial gain on remeasurement of defined benefit plans	12,18,108	3,93,513
	<b>Operating profit</b>	<b>52,52,880</b>	<b>(3,12,45,657)</b>
	<b>Changes in working capital changes</b>		
	<b>Adjustments for increase/(decrease)</b>		
	(Increase) / Decrease in Trade Receivables	(56,97,142)	51,59,592
	(Increase)/ Decrease in Loans	(4,99,86,512)	96,365
	(Increase)/ Decrease in Other financial assets	(3,50,780)	25,38,098
	(Increase)/ Decrease in Other non financial assets	71,25,713	(58,98,230)
	Increase/ (Decrease) in Trade payables	(11,48,836)	(8,74,973)
	Increase/ (Decrease) in Provisions	2,69,468	(2,41,348)
	Increase/ (Decrease) in Other non financial liabilities	(1,65,07,358)	1,81,18,079
	<b>Cash generated from/ (used) from operations</b>	<b>(6,10,42,566)</b>	<b>(1,23,48,076)</b>
	Direct Tax paid net	1,08,00,020	(1,00,86,113)
	<b>Net cash generated/ (used) from operating activities (A)</b>	<b>(5,02,42,546)</b>	<b>(2,24,34,189)</b>
(B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment and other Intangible Assets	(9,36,030)	(13,88,482)
	Acquisition of Right-of-Use Asset	-	(15,48,096)
	Sale/ Disposal of Property, Plant and Equipment	23,708	21,271
	Proceeds from Fixed Deposit/ Fresh Investment	1,00,00,000	3,00,00,000
	Purchase of investments	(10,86,66,512)	(14,84,18,163)
	Sale of investments measured at FVTOCI	-	656
	Sale of investments measured at FVTPL	15,19,41,787	18,11,37,859
	<b>Net cash generated/ (used) from investing activities (B)</b>	<b>5,23,62,953</b>	<b>5,98,05,045</b>
(C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Dividend Paid	-	(3,04,76,225)
	Dividend Distribution Tax	-	(62,64,472)
	Obligations arising from lease arrangements	(5,65,214)	10,96,779
	Finance Cost	(67,411)	(98,683)
	<b>Net cash generated/ (used) from financing activities (C)</b>	<b>(6,32,625)</b>	<b>(3,57,42,601)</b>
	<b>Net increase/ (decrease) in cash &amp; cash equivalents during the year (A+B+C)</b>	<b>14,87,782</b>	<b>16,28,255</b>
	Cash & Cash equivalents as at beginning of the year	66,00,016	49,71,761
	<b>Cash &amp; Cash equivalents as at end of the year</b>	<b>80,87,798</b>	<b>66,00,016</b>

**Note:**

		For the year ended 31 March 2021	For the year ended 31 March 2020
a)	<b>Cash and cash equivalents comprises:</b>		
	Cash on hand	20,772	59,016
	Balances with banks	80,67,027	65,41,000
		<b>80,87,798</b>	<b>66,00,016</b>

b) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)-Statement of Cash Flow, as specified under section 133 of the Company Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 (as amended)

c) Figures in bracket indicate "Outflow"

The accompanying notes 1 to 50 form an integral part of the financial statements.

As per our report of even date attached

**For Thakur, Vaidyanath Aiyar & Co.**

Chartered Accountants  
Firm Regn. No. 000038N

For and on behalf of the Board of Directors

**M.P. Thakur**  
Partner  
Membership No. 052473

**Harbans Lal**  
Director  
DIN: 00076405

**R.K. Gupta**  
Managing Director  
DIN: 00021659

Place : Gurugram  
Date : 24.06.2021

**Waqar Naqvi**  
Chief Executive Officer

**Jinal Patel**  
Chief Financial Officer

**Anu Suri**  
Company Secretary  
Membership No. 27744

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

### **1. Corporate Information**

Taurus Asset Management Company Limited (“the Company”) is a public limited company incorporated under the provisions of the Companies Act, 1956 on July 27, 1993. The Registered Office of the Company is located at Ground Floor, AML Centre-1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri East, Mumbai-400093. The Company’s principal activity is rendering Asset Management Services. The Company has been appointed as the Investment Manager of Taurus Mutual Fund by the Trustees in terms of SEBI (Mutual Fund) Regulations, 1996.

The Company is a material subsidiary of HB Portfolio Limited. Information on other related party relationships of the Company is provided in Note No.32.

The Financial Statements of the Company for the year ended 31<sup>st</sup> March 2021 were approved by the Board of Directors as on June 24, 2021.

### **2. Significant Accounting Policies**

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2018 for the purpose of transition to Ind AS, unless otherwise indicated.

#### **a. Statement of Compliance:**

These financial Statements have been prepared in accordance with Indian Accounting Standards(referred to as “Ind AS”, under the Companies (Indian accounting Standards)Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) as amended thereafter and other relevant provisions of the Act.

#### **b. Basis for preparation and presentation of Financial Statements**

The financial statements have been prepared and presented on going concern basis and under the historical cost convention on accrual basis except for certain financial assets and liabilities which are measured at fair value or amortized cost at the end of each financial year.

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards (Amendment) Rules, 2016 As per the Format Prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2013, *the Company presents the Balance sheet, the statement of Profit & loss and the Statement of Changes in Equity in the order of liquidity*. An Analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date of Non-current is prescribed in note no.45.

The Statement of Cash flows have been prepared under indirect method.

#### **c. Use of Accounting judgments, estimates and assumptions:**

In preparation of financial statements in conformity with recognition and measurement principle of IND AS requires management of the company to make judgment, estimates and assumptions. These judgments, estimates and assumptions affect the reported accounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as the date of financial statements and the reported amount of revenues and expenses during the period. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

Information about significant areas of estimates uncertainty and critical judgment in applying accounting policies that have the most significant effects to the carrying amounts of assets and liabilities within the next financial year are:

### **(i) Fair Value Measurement**

The Company measures financial instruments and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Where there is not feasible, a degree of judgement required in establishing the fair value, judgment includes consideration of inputs such as liquidity risk, credit risk and volatility.

### **(ii) Provision, Liability and Contingencies.**

Provision and liability are recognized in the period when it became probable that there will be a future outflow of funds resulting from past event or operation that can be reasonable estimated. The timing of recognition requires application of judgments to existing fact and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flow at pre-tax rate that reflects current market assessment of the time value money and the risk specific to the liability.

In the normal course of business, contingent liabilities arising from litigation and other claim against the company. Potential liabilities that are possible to be quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

### **(iii) Employee Benefits**

Employee benefits have been recognized in following ways:

#### Short term Employee Benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Post-Employment Benefits

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

### Defined Contribution Plan

Provident fund, Employee State Insurance Plan and Family/ New Pension Fund

The Company contributes to a recognized provident fund, employee state insurance plan and family/ new pension fund which is a defined contribution scheme. The contribution are accounted for on an accrual basis and recognized in the statement of profit and loss. The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, employee state insurance plan and family pension fund. The contributions made to state managed retirement benefit schemes dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

### Defined Benefit Plan

#### Gratuity

The Company's gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs are deducted. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method. The gratuity liability is unfunded.

### Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date. The compensated absences liability is unfunded.

The Company recognizes actuarial gains or losses arising on defined benefit plan immediately in OCI as prescribed by Ind AS-19.

#### **(iv) Property, plant & equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment

Property, plant & equipment are stated at cost, net of accumulated depreciation. The cost comprises purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(v) Depreciation**

Depreciation on Property, Plant & Equipments (PPE) is provided for on straight line method using the rates arrived at based on the useful lives as prescribed under Schedule II of the Companies Act, 2013.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

The estimated useful lives and residual values of the Property, Plant and Equipment are reviewed at the end of each financial year.

Depreciation on the Property, Plant & Equipments (PPE) added/ disposed off/ discarded during the year is provided from/ upto the date when added/ disposed off/ discarded.

Gain or losses arising from the retirement or disposal of Property, Plant & Equipments (PPE) are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

### **(vi) Intangible Asset**

Intangible Asset is recognized when it is probable that the future economic benefit attributable to the asset will flow to the company and its cost can be reliably measured. Intangible asset are stated at cost of acquisition less accumulated amortized and impairment, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Asset recognized as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of Intangible Asset.

Expenditure incurred on acquisition / development of Intangible assets which are not put/ ready to use at the reporting date is disclosed under Intangible Asset under development. The company amortized the intangible Asset on SLM basis over five year commencing from the month in which the asset is first put to use. The company provides pro-rata amortization from the day the asset put to use.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses from disposal are determined by the comparing proceeds with the carrying amount and are recognized in the statement of profit and loss when the asset is derecognized

### **(vii) Lease**

Effective 1<sup>st</sup> April, 2019 the Company has adopted Ind AS 116 "Leases" and capitalized assets taken on non-cancellable lease other than short-term leases and leases of low value assets as right-of-use asset and corresponding lease liability during the current financial year. In the Statement of Profit and Loss for the current financial year, the nature of expenses in respect of Operating Lease has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability.

Remeasurement of the lease liability is carried if there is any change in the lease term or in the assessment of an option to purchase the underlying asset. Remeasurement of lease liability is done by discounting the revised lease payments using the revised discount rate. Amount of remeasurement of lease liability is recognized as an adjustment to right-of-use asset.

### **(viii) Revenue recognition**

Revenue (other than those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115.

Management fees charged for the management of portfolios and are recognized on accrual basis at the agreed upon rates with the schemes with reference to their average daily net assets.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

Revenue is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists with regard to realization of revenue at the time of accrual, the underlying revenue is not recognized to that extent. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment excluding taxes and duties collected on behalf of the Government.

Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the effective interest rate and the amount can be measured.

### **(ix) Foreign Exchange Transaction**

Transactions in foreign currency are recorded at exchange rates prevailing on the date of transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transaction. Exchange differences arising on settlement of transactions and/ or restatements are dealt with in the Profit and Loss Account.

### **(x) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instruments of another entity.

Financial assets, other than equity, are classified into financial assets at fair value through other comprehensive income (FVTOCI) or fair value through profit and loss account (FVTPL), or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVTOCI. Financial liabilities are classified as amortised cost category and FVTPL.

#### **Classification**

Classification and measurement of financial assets depends on the business model and results of SPPI test. . The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

Based on above, financial assets are either classified as:

- (i) Amortised Cost
- (ii) Fair value through other comprehensive income
- (iii) Fair value through profit and loss

#### **Initial recognition and measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities.

#### **Subsequent measurement**

- a. Non-derivative financial Instruments
  - (i) *Financial assets carried at amortised cost:*



# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

(ii) *Financial assets at fair value through other comprehensive income (FVTOCI):*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as FVTOCI, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) *Financial assets at fair value through profit or loss (FVTPL):*

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

### Derecognition:

A financial asset (or, where applicable, a part of a financial asset) is derecognized (i.e. removed from the Company's Balance sheet) when any of the following occurs:

- a) The contractual right to cash flows from financial asset expires.
- b) The Company transfers its contractual; rights to receive cash flows of the financial assets and has substantially transferred all the risks and rewards of ownership of the financial assets.
- c) The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial assets);
- d) The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, (except, as mentioned in (b) above for financial assets measured at FVOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

### **Impairment of financial assets**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- (i) Trade receivables and lease receivables
- (ii) Financial assets measured at amortised cost (other than trade receivables and lease receivables)
- (iii) Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

In case of other assets, listed as (ii) and (iii) above, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If credit risk of such assets has not increased significantly, an amount equal to 12 month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible defaults events over the expected life of a financial asset, 12 month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head "Other expenses".

### **Financial Liabilities**

The Company's financial liabilities include borrowings, trade and other payables.

#### **Initial recognition and measurement:**

The Company recognizes a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

### **Subsequent measurement:**

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

### **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

### **(xi) Share Capital**

#### *Ordinary Shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

### **(xii) Taxation**

Tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to the items recognized directly in equity in which case it is recognized in other comprehensive income (OCI). The provision for taxation has been made on the basis of the assessable profits determined under the Income Tax Act, 1961 after considering the applicable tax allowances and exemptions. The current tax is calculated in accordance with the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws which give rise to future economic benefits in the form of adjustments of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax in future. MAT asset is recognized in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Dividend Distribution Tax: - Dividend paid (including tax thereon) is recognized in the period in which the interim dividend is approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

### **Deferred Tax**

Deferred Tax assets and liabilities are recognized on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

## **Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow for all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **(xiii) Earnings Per Share**

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares, and accordingly, the Basic Earnings Per Share and Diluted Earnings Per Share are same.

### **(xiv) Cash and Cash Equivalents (for purposes of Cash Flow Statement)**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise Cash at bank, Cash on hand and demand deposits with bank with an original maturity of three months or less from the date of acquisition.

### **(xv) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/ loss before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated based on the available information

### **(xvi) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Indian Rupee (INR) as per the requirements.

### **(xvii) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

### **(xviii) Recent Indian Accounting Standards (Ind AS) developments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

# **TAURUS ASSET MANAGEMENT COMPANY LIMITED**

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021**

**TAURUS ASSET MANAGEMENT COMPANY LTD**  
 Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093  
 (CIN : U67190MH1993PLC073154)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021**

**A. Equity Share Capital**

(Amount in Rs.)

Particulars	Balance as at 1st April 2019	Issued during F.Y. 2019-20	Balance as at 31st March 2020	Issued during F.Y. 2020-21	Balance as at 31 March 2021
Equity share capital	16,93,12,360	-	16,93,12,360	-	16,93,12,360
	<b>16,93,12,360</b>	-	<b>16,93,12,360</b>	-	<b>16,93,12,360</b>

**B. Other Equity**

Particulars	Other Equity					Total
	Reserve & Surplus			Other Comprehensive Income		
	Amalgamation Reserve	Securities Premium	Retained Earnings	Equity Instruments through Other comprehensive income	Remeasurement of Defined Benefit Plans	
<b>Balance as at 1st April, 2019</b>	<b>21,00,000</b>	<b>15,58,93,148</b>	<b>29,64,21,703</b>	<b>2,32,22,490</b>	<b>1,71,280.00</b>	<b>47,78,08,621</b>
<u>Changes during the year ended 31st March 2020</u>						
Profit/(Loss) for the year	-	-	(6,40,77,201)	-	-	(6,40,77,201)
Total Other Comprehensive Income for the year ( net of tax)	-	-	-	(61,30,543)	2,84,038	(58,46,505)
Amount transferred to Retained Earnings on sale of Investment recognized through Other Comprehensive Income	-	-	655	(655)	-	-
Dividend paid ( including Dividend Distribution Tax)	-	-	(3,67,40,697)			(3,67,40,697)
<b>Balance as at 31st March, 2020</b>	<b>21,00,000</b>	<b>15,58,93,148</b>	<b>19,56,04,460</b>	<b>1,70,91,293</b>	<b>4,55,318</b>	<b>37,11,44,218</b>
<u>Changes during the year ended 31st March 2021</u>						
Profit/(Loss) for the year	-	-	4,71,11,557	-	-	4,71,11,557
Total Other Comprehensive Income for the year ( net of tax)	-	-	-	62,423	9,28,263	9,90,686
Amount transferred to Retained Earnings on sale of Investment recognized through Other Comprehensive Income	-	-	-	-	-	-
Dividend paid ( including Dividend Distribution Tax)	-	-	-			-
<b>Balance as at 31st March, 2021</b>	<b>21,00,000</b>	<b>15,58,93,148</b>	<b>24,27,16,017</b>	<b>1,71,53,716</b>	<b>13,83,581</b>	<b>41,92,46,461</b>

The accompanying notes 1 to 50 form an integral part of the financial statements.

As per our report of even date attached

**For Thakur, Vaidyanath Aiyar & Co.**

Chartered Accountants  
 Firm Regn. No. 000038N

For and on behalf of the Board of Directors

**M.P. Thakur**  
 Partner  
 Membership No. 052473

**Harbans Lal**  
 Director  
 DIN: 00076405

**R.K. Gupta**  
 Managing Director  
 DIN: 00021659

Place : Gurugram  
 Date : 24.06.2021

**Waqar Naqvi**  
 Chief Executive Officer

**Jinal Patel**  
 Chief Financial Officer

**Anu Suri**  
 Company Secretary  
 Membership No. 27744

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	Amount in Rs	
	As at 31 March 2021	As at 31 March 2020
<b>3 Cash and cash equivalents</b>		
Cash on hand	20,772	59,016
Balances with banks		
- in current accounts	80,67,027	65,41,000
- Bank Deposits having original maturity of less than 3 months.	-	-
	<b>80,87,798</b>	<b>66,00,016</b>
<b>4 Bank Balance other than cash and cash equivalents</b>		
- Bank Deposits having original maturity of more than 3 months and upto 12 months.	-	1,00,00,000
	<b>-</b>	<b>1,00,00,000</b>
<b>5 Receivables</b>		
Unsecured - Considered good		
- Trade Receivables	74,40,304	17,43,163
-others	-	-
Total (Gross)	74,40,304	17,43,163
Less: Impairment loss allowance	-	-
Total (Net)	<b>74,40,304</b>	<b>17,43,163</b>
No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		
<b>6 Loans</b>		
A. Others:		
Inter corporate deposits *	35,00,00,000	30,00,00,000
Advance to employees		
- Related Party	-	-
- Others (at amortised cost)	5,68,568	5,82,056
Total (Gross)	35,05,68,568	30,05,82,056
Less: Impairment loss allowance	-	-
Total (Net)	<b>35,05,68,568</b>	<b>30,05,82,056</b>
B. Unsecured	35,05,68,568	30,05,82,056
Less: Impairment loss allowance	-	-
Total (Net)	<b>35,05,68,568</b>	<b>30,05,82,056</b>
C. Loans in India		
i) Public sector	-	-
ii) Other than public sector	35,05,68,568	30,05,82,056
Total (Gross)	35,05,68,568	30,05,82,056
Less: Impairment loss allowance	-	-
Total (Net)	<b>35,05,68,568</b>	<b>30,05,82,056</b>

\* The Company has given inter corporate loans to Gemini Portfolios Private Limited Rs. 17,50,00,000 (previous year Rs. 15,00,00,000) and Rs. 17,50,00,000 to Venus Portfolios Private Limited (previous year Rs. 15,00,00,000) for business purposes. Inter-corporate loan given are for short-term, refundable on demand, are interest bearing, not discounted and hence the same has been valued at transaction value.

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	As at 31 March 2021		As at 31 March 2020	
	No. of shares/units	Amount in Rs	No of shares/units	Amount in Rs
<b>7 Investments</b>				
Investment in Equity Instruments		9,64,55,905		7,00,01,427
Investment in bonds		32,15,442		68,16,600
Investment in Mutual funds		11,60,91,534		13,32,86,060
<b>Total Investments</b>		<b><u>21,57,62,881</u></b>		<b><u>21,01,04,088</u></b>
<b>Investments outside India</b>		-		-
<b>Investments in India</b>		<b><u>21,57,62,881</u></b>		<b><u>21,01,04,088</u></b>
<b>Total</b>		<b><u>21,57,62,881</u></b>		<b><u>21,01,04,088</u></b>

**I Investment in Equity Instruments (measured at FVTOCI)**

Face Value Rs 10 each unless stated otherwise

Auroma Coke Limited	Quoted	2,50,000	11,25,000	2,50,000	13,47,500
Blue Cloud Softech Solutions Limited ( Rs 2 each) (Erstwhile Adithya Aquaculture Ltd)	Quoted	7,00,000	70,00,000	7,00,000	84,00,000
Deep Diamond India Limited	Quoted	1,00,000	13,75,000	1,00,000	10,10,000
Flora textiles Limited	Quoted	3,00,000	18,09,000	3,00,000	20,10,000
P G Industries Limited (Rs 5 each)	* Quoted	1,00,000	4,75,000	1,00,000	2,65,000
Premier Polyfilm Limited	* Quoted	1,70,800	60,71,940	1,70,800	33,73,300
Shree Karthik Papers Limited	Quoted	95,100	2,08,269	95,100	3,50,919
Suryo Foods and Industries Limited	Quoted	77,700	3,51,204	77,700	5,71,095
ADS Diagnostic Limited	Unquoted	25,000	1,10,825	25,000	1,10,825
Agr -Marine Exports Limited	* Unquoted	73,300	733	73,300	733
Asian Vegpro Industries Limited	* Unquoted	1,00,000	1,000	1,00,000	1,000
Consolidated Containers Limited	* Unquoted	12,500	125	12,500	125
Gujarat Chemical Plasto Limited	* Unquoted	25,000	250	25,000	250
Gummadi Industries Limited	* Unquoted	1,00,100	1,001	1,00,100	1,001
Hindustan Domestic Oil Limited	* Unquoted	42,400	424	42,400	424
Hytasun Magnetics Limited	* Unquoted	35,500	355	35,500	355
Jaswal Granites Limited	* Unquoted	1,50,000	1,500	1,50,000	1,500
Kumars Kotex Limited	* Unquoted	3,00,100	3,001	3,00,100	3,001
LD Textiles Limited	* Unquoted	225	2	225	2
M S Securities Limited	* Unquoted	1,00,000	1,000	1,00,000	1,000
Manav Pharma Limited	* Unquoted	24,900	249	24,900	249
Maya Agro Limited	* Unquoted	99,000	990	99,000	990
Montana International Limited	* Unquoted	1,48,800	1,488	1,48,800	1,488
Naraingarh Sugar Mills Limited	Unquoted	2,50,000	2,500	2,50,000	2,500
Noel Agritech Limited	Unquoted	1,65,200	1,652	1,65,200	1,652
Nortech India Limited	* Unquoted	2,00,000	2,000	2,00,000	2,000
Nutech Organic Chemicals Limited	* Unquoted	2,00,000	2,000	2,00,000	2,000
Omtex Limited	* Unquoted	50,000	500	50,000	500
Pan Asia Global Limited	* Unquoted	3,100	31	3,100	31



**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

			As at 31 March 2021		As at 31 March 2020	
			No. of shares/units	Amount in Rs	No of shares/units	Amount in Rs
Premier Aqua Limited	*	Unquoted	1,75,000	1,750	1,75,000	1,750
Premier Vinyl Flooring Limited	*	Unquoted	50	-	50	-
Presidency Shoes Limited	*	Unquoted	87,100	871	87,100	871
Prime Solvent Extractions Limited	*	Unquoted	14,400	144	14,400	144
Punjab Wireless Limited		Unquoted	10,500	-	10,500	-
Raghuvendra Spinners Limited	*	Unquoted	30,000	300	30,000	300
Rajendra Mining Spares Limited	*	Unquoted	2,50,000	2,500	2,50,000	2,500
Ravi Spinning Limited	*	Unquoted	1,80,000	1,800	1,80,000	1,800
Sandur Laminates Limited	*	Unquoted	1,00,000	1,000	1,00,000	1,000
Sangam Healthcare Products Limited	*	Unquoted	97,700	977	97,700	977
Shoppers Investments Limited	*	Unquoted	50	1	50	1
SKR Chemicals Limited	*	Unquoted	1,99,800	1,998	1,99,800	1,998
Sonal Cosmetics Limited	*	Unquoted	7,500	75	7,500	75
Southern Fuel Limited	*	Unquoted	1,62,000	1,620	1,62,000	1,620
Sudev Industries Limited		Unquoted	1,24,900	1,249	1,24,900	1,249
Superior Sox Limited	*	Unquoted	1,00,000	1,000	1,00,000	1,000
Suppliment Foods Limited	*	Unquoted	20,000	200	20,000	200
Usha Ispat Limited		Unquoted	23,000	230	23,000	230
Viral Filaments Limited	*	Unquoted	1,07,100	1,071	1,07,100	1,071
Viral Syntex Limited		Unquoted	1,15,900	1,159	1,15,900	1,159
Wellwin Industries Limited		Unquoted	-	-	-	-
Western Foods Limited	*	Unquoted	84,800	848	84,800	848
Western Orissa Sugar Limited	*	Unquoted	2,950	30	2,950	30
Akshay Software Technologies Limited		Unquoted	90,117	24,73,712	90,117	26,67,463
Associated Infotech Limited		Unquoted	4,00,000	-	4,00,000	-
MF Utilities India (Rs 1 each)		Unquoted	5,00,000	21,95,000	5,00,000	18,90,000
Sovika Airline Services Limited		Unquoted	3,50,000	-	3,50,000	11,62,000
Teamasia Semiconductors Limited		Unquoted	2,50,000	-	2,50,000	-
<b>Total (I)</b>				<u><u>2,32,34,573</u></u>		<u><u>2,31,97,725</u></u>

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

		As at 31 March 2021		As at 31 March 2020	
		No. of shares/units	Amount in Rs	No of shares/units	Amount in Rs
<b>II Investment in Equity Instruments (measured at fair value through profit or loss)</b>					
Ahluwalia Contracts (India) Limited ( Rs 2 each)	Quoted	1,71,434	5,13,01,625	1,71,434	3,08,58,120
Ambuja Cements Limited ( Rs 2 each)	Quoted	-	-	5,500	8,56,350
Asian Granito India Limited (Rs 10 each)	Quoted	11,000	15,85,650	-	-
Bajaj Consumer Care Limited ( Rs 1 each)	Quoted	10,000	25,99,000	11,000	14,61,350
Bank of Baroda ( Rs 2 each)	Quoted	5,000	3,70,750	5,000	2,67,750
Bharat Electronics Limited ( Rs 1 each)	Quoted	-	-	8,090	6,01,492
Bharat Heavy Electricals Limited ( Rs 2 each)	Quoted	-	-	6,000	1,24,800
Cipla Limited ( Rs 2 each)	Quoted	-	-	6,000	25,38,000
First Source Solutions Limited ( Rs 10 each)	Quoted	-	-	7,000	1,92,500
Gail (India) Limited ( Rs 10 each)	Quoted	21,000	28,46,550	18,000	13,76,100
Gujrat Narmada Valley Fertilizers & Chemicals Ltd ( Rs 10 each)	Quoted	4,000	12,02,600	-	-
Hero Motocorp Limited ( Rs 2 each)	Quoted	-	-	1,100	17,53,620
Hindustan Petroleum Corporation Limited ( Rs 10 each)	Quoted	-	-	3,000	5,70,450
ITC Limited ( Rs 1 each)	Quoted	13,000	28,40,500	11,000	18,92,000
Meghmani Organics Limited (Rs 1 each)	Quoted	10,000	11,65,000	-	-
NCC Ltd ( Rs 2 each)	Quoted	40,000	31,60,000	60,000	11,28,000
NTPC Ltd ( Rs 10 each)	Quoted	22,350	23,79,158	19,350	16,29,270
Oil & Natural Gas Corporation Limited ( Rs 5 each)	Quoted	7,000	7,15,050	7,000	4,78,100
State Bank of India Limited ( Rs 1 each)	Quoted	-	-	4,000	7,87,800
The South Indian Bank Limited ( Rs 1 each)	Quoted	50,000	4,14,500	50,000	2,88,000
Zee Entertainment Enterprises Limited (Rs 1 each)	Quoted	13,000	26,40,950	-	-
<b>Total (II)</b>			<b><u>7,32,21,332</u></b>		<b><u>4,68,03,702</u></b>
<b>Sub- Total ( I + II )</b>			<b><u>9,64,55,905</u></b>		<b><u>7,00,01,427</u></b>
<b>III Investments in bonds (measured at amortised Cost)</b>					
10.75% Shriram Transport Finance Company Limited (Rs 100,000 each) (Maturing on 3 May 2020)	(Rs) Unquoted	-	-	35	36,01,128
9.75% IFCI Limited (Rs 1,000,000 each) (Maturing on 13 July 2030)	Unquoted	3	32,15,442	3	32,15,472
<b>Total (III)</b>			<b><u>32,15,442</u></b>		<b><u>68,16,600</u></b>
<b>IV Investments in mutual funds</b>					
<b>Unquoted (measured at FVTPL)</b>					
Units of Face Value Rs 10 each unless stated otherwise					
Taurus Flexicap Fund - Direct Plan - Growth	Unquoted	55,078.211	71,60,167	55,078.211	45,71,492
Taurus Discovery (Mid Cap) Fund - Direct Plan - Growth	Unquoted	76,033.058	48,08,331	76,033.058	27,57,719
Taurus Large Cap Equity Fund - Direct Plan - Growth	Unquoted	35,093.316	32,43,324	35,093.316	20,89,807
Taurus Infrastructure Fund - Direct Plan - Growth	Unquoted	38,335.159	12,83,844	38,335.159	7,53,669
Taurus Tax Shield - Direct Plan - Growth	Unquoted	93,075.205	94,44,341	93,075.205	59,41,921

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

		As at 31 March 2021		As at 31 March 2020	
		No. of shares/units	Amount in Rs	No of shares/units	Amount in Rs
Taurus Ethical Fund - Direct Plan - Growth	Unquoted	45,971.449	34,86,015	45,971.449	21,53,303
Taurus Nifty Index Fund - Direct Plan - Growth	Unquoted	3,224.018	94,792	3,224.018	54,815
Taurus Banking and Financial Services Fund - Direct Plan - Growth	Unquoted	42,444.822	14,23,175	42,444.822	8,75,637
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (Rs 1,000 each)	Unquoted	-	-	3,280.235	64,31,560
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (Rs 1,000 each)	Unquoted	-	-	18,303.857	3,58,88,391
ABSL Money Manager Fund - Direct Plan - Growth Option (Rs 1000 each)	Unquoted	2,96,504.572	8,51,47,544	1,70,580.662	4,62,14,156
ICICI Money Market Fund - Direct Plan - Growth Option (Rs 1000 each)	Unquoted	-	-	91,503.053	2,55,53,591
<b>Total (IV)</b>			<b><u>11,60,91,534</u></b>		<b><u>13,32,86,060</u></b>

\* Not held in the name of the Company (refer note 37)

**Investment in Equity Instruments designated at fair value through other comprehensive income**

The company has elected to designate the investment in equity instruments, which are not held for trading purpose at fair value irrevocably through other comprehensive income (FVTOCI).

**Reclassification**

During the current or previous reporting periods the company has not reclassified any investments since its initial classification. The company has not transferred any Financial assets which are transferred but not derecognised in the books of accounts.

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	Amount in Rs	
	As at	As at
	31 March 2021	31 March 2020
<b>8 Other Financial Assets</b>		
<i>(Unsecured, considered good)</i>		
-Security deposits	27,49,849	23,99,069
	<u>27,49,849</u>	<u>23,99,069</u>
<b>9 Current tax Assets (net)</b>		
Income Tax & TDS (net of provisions)	1,48,93,634	2,81,13,182
	<u>1,48,93,634</u>	<u>2,81,13,182</u>

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Note 10 PROPERTY PLANT & EQUIPMENT**

(Amount in Rs.)

Particulars	Leasehold Improvements	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
<b>Cost or deemed cost</b>						
<b>Balance as at 1st April,2019</b>	81,741	6,02,038	15,77,504	2,56,943	23,08,333	<b>48,26,559</b>
Additions	-	1,19,709	9,43,025	-	0	10,62,734
Disposals	-	49,037	32,876	-	0	81,913
<b>Balance as at 31st March,2020</b>	<b>81,741</b>	<b>6,72,710</b>	<b>24,87,653</b>	<b>2,56,943</b>	<b>23,08,333</b>	<b>58,07,380</b>
Additions	-	1,15,971	7,65,559	42,000	-	9,23,530
Disposals	81,741	39,669	-	1,33,747	-	2,55,157
<b>Balance as at 31st March 2021</b>	<b>-</b>	<b>7,49,012</b>	<b>32,53,212</b>	<b>1,65,196</b>	<b>23,08,333</b>	<b>64,75,753</b>
<b>Accumulated depreciation and impairment</b>						
<b>Balance as at 1st April,2019</b>	-	1,17,818.00	6,11,987.00	88,986.00	5,59,157.00	13,77,948
Charge for the period	-	1,28,739	4,49,352	80,506	5,60,689	12,19,286
Disposals	-	19,362	22,815	-	-	42,177
<b>Balance as at 31st March,2020</b>	<b>-</b>	<b>2,27,195</b>	<b>10,38,524</b>	<b>1,69,492</b>	<b>11,19,846</b>	<b>25,55,057</b>
Charge for the period	-	1,14,210	5,78,101	13,676	5,59,157	12,65,144
Disposals	-	20,203	-	1,09,203	-	1,29,406
<b>Balance as at 31st March,2021</b>	<b>-</b>	<b>3,21,202</b>	<b>16,16,625</b>	<b>73,965</b>	<b>16,79,003</b>	<b>36,90,795</b>
<b>Net carrying amount</b>						
<b>Balance as at 31st March 2021</b>	<b>-</b>	<b>4,27,810</b>	<b>16,36,587</b>	<b>91,230</b>	<b>6,29,330</b>	<b>27,84,957</b>
<b>Balance as at 31st March,2020</b>	81,741	4,45,515	14,49,129	87,451	11,88,487	32,52,323
<b>Balance as at 1st April,2019</b>	81,741	4,84,220	9,65,517	1,67,957	17,49,176	34,48,611

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Note 11 Right of Use Lease Assets**

**(Amount in Rs.)**

<b>Particulars</b>	<b>Lease Asset</b>
<b>Value of Lease Asset</b>	
<b>Balance as at 1st April,2019</b>	-
Additions	15,48,096
Disposals	-
<b>Balance as at 31st March,2020</b>	15,48,096
Additions	-
Disposals	-
<b>Balance as at 31st March 2021</b>	<b>15,48,096</b>
<b>Accumulated amortisation</b>	
<b>Balance as at 1st April,2019</b>	-
Charge for the period	5,16,032
Disposals	-
<b>Balance as at 31st March,2020</b>	5,16,032
Charge for the period	5,62,944
Disposals	-
<b>Balance as at 31st March 2021</b>	<b>10,78,976</b>
<b>Net carrying amount</b>	
<b>Balance as at 31st March 2021</b>	<b>4,69,120</b>
<b>Balance as at 31st March,2020</b>	10,32,064
<b>Balance as at 1st April,2019</b>	-

**Note 12 OTHER INTANGIBLE ASSETS**

**(Amount in Rs.)**

<b>Particulars</b>	<b>Computer Software</b>
<b>Cost or deemed cost</b>	
<b>Balance as at 1st April,2019</b>	3,89,607
Additions	3,25,748
Disposals	-
<b>Balance as at 31st March,2020</b>	<b>7,15,355</b>
Additions	12,500
Disposals	-
<b>Balance as at 31st March 2021</b>	<b>7,27,855</b>
<b>Accumulated amortisation</b>	
Balance as at 1st April 2019	1,17,201
Charge for the period	1,34,056
Disposals	-
<b>Balance as at 31st March,2020</b>	<b>2,51,257</b>
Charge for the period	1,13,741
Disposals	-
<b>Balance as at 31st March 2021</b>	<b>3,64,998</b>
<b>Net carrying amount</b>	
<b>Balance as at 31st March 2021</b>	<b>3,62,857</b>
<b>Balance as at 31st March,2020</b>	4,64,098
<b>Balance as at 1st April,2019</b>	2,72,406

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	<b>Amount in Rs</b>	
	<b>As at</b>	<b>As at</b>
	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>13 Other non-financial assets</b>		
Balance with government authorities		
- GST Input Credit	60,961	18,45,770
- GST Input Credit Unavailed	21,199	92,369
Other advances	29,61,138	46,31,568
Prepaid expenses	45,45,746	45,27,874
Interest accrued on Fixed deposits with bank/others	25,548	2,18,319
Interest accrued on Intercompany Deposits	26,30,928	49,38,534
Interest receivable on income tax refund	-	11,16,800
	<b>1,02,45,520</b>	<b>1,73,71,234</b>
	<b>1,02,45,520</b>	<b>1,73,71,234</b>

**FINANCIAL LIABILITIES**

**14 Trade payables**

- total outstanding dues of micro enterprises and small enterprises	1,64,476	4,93,566
- total outstanding dues of creditors other than micro enterprises and small enterprises	23,03,971	31,23,717
	<b>24,68,447</b>	<b>36,17,283</b>
	<b>24,68,447</b>	<b>36,17,283</b>

Refer note no.41

Disclosure of amounts due to Micro, Small and Medium enterprises is based on information available with the Company regarding the status of the suppliers as defined under MSMED Act 2006 and the same has been relied upon by the auditors.

Trade payables are recognised at their original amounts which represents their fair value on their initial recognition. Trade payables are considered to be of short term duration and are not discounted and the carrying values are assumed to be approximate their fair values.

**15 Other financial liabilities**

Lease Liabilities	5,31,565	10,96,779
	<b>5,31,565</b>	<b>10,96,779</b>
	<b>5,31,565</b>	<b>10,96,779</b>

**16 Provisions**

Provision for employee benefits		
- for gratuity	74,87,634	70,77,036
- Compensated absences	48,67,181	50,08,311
	<b>1,23,54,815</b>	<b>1,20,85,347</b>
	<b>1,23,54,815</b>	<b>1,20,85,347</b>

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	<b>Amount in Rs</b>	
	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>17 Deferred tax liabilities (net)</b>		
<b>Deferred tax assets comprises of:</b>		
Provision for employee benefits	(31,09,460)	(33,62,143)
Others	(87,182)	(1,09,297)
Temporary difference on depreciation and amortisation of tangible assets	(5,40,086)	(5,61,782)
	<u>(37,36,727)</u>	<u>(40,33,222)</u>
<b>Deferred tax liability comprises of:</b>		
Temporary difference on depreciation and amortisation of tangible assets	-	-
Fair Value Gain through profit and loss on Instruments	28,49,407	18,56,278
Fair Value Gain through other comprehensive income on Equity Instruments	23,59,865	23,85,439
Remeasurement of Net Defined Benefit liability	4,65,335	1,75,491
	<u>56,74,607</u>	<u>44,17,208</u>
<b>Deferred tax liabilities (net)</b>	<u><b>19,37,880</b></u>	<u><b>3,83,986</b></u>
<b>Reconciliation</b>		
<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Opening Balance of Deferred Tax</b>	3,83,986	11,53,286
Charge / (Credit) to Profit & Loss / Retained Earnings	12,89,624	1,11,533
Recognised in / reclassified from other comprehensive income	2,64,270	(8,80,833)
<b>Closing Balance of Deferred Tax</b>	<u><b>19,37,880</b></u>	<u><b>3,83,986</b></u>
<b>18 Other non financial liabilities</b>		
Statutory dues	23,20,189	37,75,534
Employee related payables	11,26,524	7,63,585
Other payables (Refer Note No 39)	40,67,250	1,94,82,201
	<u><b>75,13,963</b></u>	<u><b>2,40,21,320</b></u>



**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	Amount in Rs	
	As at 31 March 2021	As at 31 March 2020
<b>20 Other equity</b>		
<b>Amalgamation reserve</b>		
Balance at the beginning/end of the year	21,00,000	21,00,000
	<b>21,00,000</b>	<b>21,00,000</b>
<b>Securities premium</b>		
Balance at the beginning/end of the year	15,58,93,148	15,58,93,148
	<b>15,58,93,148</b>	<b>15,58,93,148</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	19,56,04,460	29,64,21,703
Add : Profit / (Loss) for the year	4,71,11,557	(6,40,77,201)
Add: Amount transferred from Other Comprehensive Income	-	655
Less: Dividend paid ( including DDT of Rs 62,64,472/- )	-	3,67,40,697
Balance at the end of the year	<b>24,27,16,017</b>	<b>19,56,04,460</b>
<b>Other comprehensive income</b>		
A) Fair value changes on Equity instruments		
Balance at the beginning of the year	1,94,76,732	2,65,98,238
Adjustments during the year		
Add: Fair value change on Equity Instruments	36,848	(71,20,851)
Less: Amount transferred to retained earnings on sale of Equity investments	-	655
Balance at the end of the year	1,95,13,580	1,94,76,732
Less: Income tax affect on above	23,59,865	23,85,439
Balance at the end of the year net of tax	<b>1,71,53,715</b>	<b>1,70,91,293</b>
B) Remeasurement of defined benefit plans		
Balance at the beginning of the year	6,30,808	2,37,295
Adjustments during the year		
Remeasurement of defined employee benefit plans	12,18,108	3,93,513
Balance at the end of the year	18,48,916	6,30,808
Less: Income tax affect on above	4,65,335	1,75,491
Balance at the end of the year net of tax	<b>13,83,581</b>	<b>4,55,317</b>
Balance at the end of the year (A + B)	<b>1,85,37,296</b>	<b>1,75,46,610</b>
<b>Total Other Equity</b>	<b>41,92,46,461</b>	<b>37,11,44,218</b>

The company has not declared and paid any interim dividend during the F.Y.2020-21, however, the interim dividend was declared and paid of Rs 1.80 per equity share for FY 2019-20 of Face Value Rs 10/- each to the shareholders as per the approval of the Board of Directors on 19th April 2019.

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Nature of Reserves**

**a) Amalgamation Reserve**

The Amalgamation Reserve was created in March 1999 on amalgamation of Creditcapital Asset Management Co, Ltd (now known as Taurus Asset Management Co. Ltd) and HB Asset Management Co. Ltd as per the order of Hon'ble High Court of Mumbai & Delhi with retrospective effect 1st April 1997. and the same is not available for profit distribution.

**b) Securities Premium**

Securities Premium represent premium on issue of shares. The Reserve will be utilised in accordance with the provisions of the Companies Act, 2013. There is no movement in Securities Premium during the Current Year and the Previous Year.

**c) Retained Earnings**

Retained earnings are the profits that the Company has earned till date less dividends and other distributions to the shareholders.

**d) Other Comprehensive Income**

Other Comprehensive Income consists of cumulative gains on the fair valuation of Equity Instruments measured at fair value through other comprehensive income and remeasurement gain /loss on defined benefit plans.

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	Amount in Rs			
	As at 31 March 2021		As at 31 March 2020	
	Number	Amounts	Number	Amounts
<b>19 Share capital</b>				
<b>Authorised share capital</b>				
Equity shares of Rs 10 per share	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
Redeemable preference shares of Rs10 per share	30,00,000	3,00,00,000	30,00,000	3,00,00,000
	<b>2,00,00,000</b>	<b>20,00,00,000</b>	<b>2,00,00,000</b>	<b>20,00,00,000</b>
<b>Issued</b>				
Equity shares of Rs 10 per share	1,69,41,252	16,94,12,520	1,69,41,252	16,94,12,520
	<b>1,69,41,252</b>	<b>16,94,12,520</b>	<b>1,69,41,252</b>	<b>16,94,12,520</b>
<b>Subscribed and fully paid up</b>				
Equity shares of Rs 10 per share	1,69,31,236	16,93,12,360	1,69,31,236	16,93,12,360
	<b>1,69,31,236</b>	<b>16,93,12,360</b>	<b>1,69,31,236</b>	<b>16,93,12,360</b>

**a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of each reporting period**

Balance at the beginning/end of the year	1,69,31,236	16,93,12,360	1,69,31,236	16,93,12,360
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**b) Shares held by holding/ultimate holding Company**

	Number of shares	% holding	Number of shares	% holding
HB Portfolio Ltd	1,69,31,176	99.99%	1,18,72,118	70.12%

**c) Shareholders holding more than 5% of the shares of the Company\***

	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs 10 each				
HB Portfolio Ltd	1,69,31,176	99.99%	1,18,72,118	70.12%
RRB Securities Ltd	-	-	50,59,058	29.88%

\* As per records of the Company, including its register of members/shareholders and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**d) Terms/Rights attached to equity shares**

The Company has issued only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive the remaining assets of the Company after settlement of all the liabilities, in proportion to the number of equity shares held by the shareholders.

e) No shares have been issued pursuant to contract without payment being received in cash, allotted as fully paid up bonus shares and brought back in the current reporting period and in last five years immediately preceding the current reporting year.

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	<b>Amount in Rs</b>	
	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>
<b>21 Interest</b>		
Interest income on financial assets measured at amortised cost		
- Interest on Bonds	3,18,578	10,51,341
- Interest on security deposits	20,930	19,470
- Interest on staff loan	75,049	68,245
	<u>4,14,557</u>	<u>11,39,056</u>
Interest income on financial assets not measured at amortised cost		
- Interest on inter-corporate deposits	3,08,80,289	3,55,00,410
- Interest on deposits with banks/Others	4,90,944	23,11,570
- Interest on income tax refund	2,40,419	11,16,800
- others	1,19,098	32,719
	<u>3,17,30,750</u>	<u>3,89,61,499</u>
	<u>3,21,45,306</u>	<u>4,01,00,555</u>
<b>22 Dividend Income</b>		
Dividend income on equity instruments	6,56,728	3,86,737
	<u>6,56,728</u>	<u>3,86,737</u>
<b>23 Fees</b>		
Management fees from mutual fund	6,23,93,785	6,29,84,375
	<u>6,23,93,785</u>	<u>6,29,84,375</u>
<b>24 Other income</b>		
Provision written back	6,821	9,67,806
Others	3	-
	<u>6,824</u>	<u>9,67,806</u>
<b>25 Finance Costs</b>		
Interest expenses		
- on lease liability	67,411	98,683
	<u>67,411</u>	<u>98,683</u>
<b>26 Net Gain/(Loss) on Fair Value Changes</b>		
Net gain/(loss) on financial instruments at fair value through profit or loss		
i) On trading portfolio	-	-
ii) On Investments	4,88,97,219	(3,03,36,589)
Total Net gain/(Loss) on fair value changes	<u>4,88,97,219</u>	<u>(3,03,36,589)</u>
Fair Value Changes		
- Realised	1,10,92,630	2,08,10,785
- Unrealised	3,78,04,589	(5,11,47,374)
Total Net gain/(Loss) on fair value changes	<u>4,88,97,219</u>	<u>(3,03,36,589)</u>
<b>27 Employee benefits expense</b>		
Salaries, wages and bonus	4,70,29,489	6,28,92,136
Provision for gratuity	11,71,033	12,59,133
Contribution to provident and other defined contribution funds	36,07,752	61,74,284
Amortisation of prepaid staff costs	75,049	68,245
Staff welfare expenses	10,51,592	14,49,168
	<u>5,29,34,915</u>	<u>7,18,42,966</u>

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

	Amount in Rs	
	For the year ended	For the year ended
	31 March 2021	31 March 2020
<b>28 Depreciation &amp; Amortisation</b>		
- Property, Plant & Equipment	12,65,144	12,19,286
- Right of use lease assets	5,62,944	5,16,032
- Other Intangible assets	1,13,741	1,34,056
	<u>19,41,829</u>	<u>18,69,374</u>
<b>29 Other expenses</b>		
Rent	72,53,812	1,10,28,497
Advertisement and business promotion	19,36,168	28,88,299
Legal and professional fees	42,37,816	33,87,751
Auditors' fees and expenses (refer note no. 36)	7,90,725	9,25,300
Recruitment charges	30,000	1,03,972
Director's sitting fees	11,80,000	16,30,000
Electricity charges	9,22,743	16,26,009
Travelling and conveyance	16,60,171	27,20,808
Repairs and maintenance		
- Buildings	-	-
- Others	16,79,025	23,77,817
Office expenses	4,26,546	10,33,374
Outsourced professional service costs	38,63,127	32,68,867
Insurance	10,70,017	9,23,290
Printing and stationery	1,72,597	3,29,279
Subscription and membership	17,74,708	18,46,206
Information Technology	39,47,193	51,64,549
Communication	11,22,320	13,74,603
Loss on disposal of assets (net)	1,02,042	18,465
Rates and taxes	1,17,136	50,719
Mutual fund expenses (Refer Note no. 39)	56,41,028	2,32,15,921
Miscellaneous expenses	3,86,896	3,20,946
Amortisation of rental on non cancellable lease	20,930	19,470
	<u><b>3,83,34,998</b></u>	<u><b>6,42,54,142</b></u>
<b>30 Earning per equity share - basic/diluted</b>		
Profit/(Loss) after tax	4,71,11,557	(6,40,77,200)
Weighted average number of shares (no.)	1,69,31,236	1,69,31,236
Nominal value of shares (Rs)	10.00	10.00
Earnings per equity share - basic/diluted (Rs)	2.78	(3.78)

**Taurus Asset Management Company Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**31 Related party transactions**

Related party disclosures, as required by the notified Indian Accounting Standard 24 are given below:

**(i) List of related parties and relationships** (with whom there were transactions during the year)

- a) Key management personnel
- Mr. R. K. Gupta (Managing Director)  
 Mr Waqar Naqvi (Chief Executive Officer)  
 Mr Anish Shah (Chief Financial Officer)  
 ( till 30th Nov 2019)  
 Mrs Jinal Patel (Chief Financial Officer)  
 (w.e.f.6th March 2020)  
 Mrs. Anu Suri (Company Secretary)
- b) Enterprises over which Directors exercise significant influence.
- HB Securities Limited
- HB Estate Developers Limited
- c) Directors
- Mr. Harbans Lal  
 Mr. Lalit Bhasin  
 Mr Puneet Jain (w.e.f. 23rd December 2019 till 3rd December 2020)  
 Mr R. P. Tulsian (w.e.f. 23rd December 2019)  
 Mr K. K.,Narula (w.e.f. 27th January 2020)  
 Mr J. P. Kundra (till 23rd December 2019)  
 Mr. M. G. Gupta (till 23rd December 2019)  
 Maharaj Jai Singh (till 23rd December 2019)  
 Dr. Ashok Agarwal (wef 2nd March 2021)
- d) Investing parties of reporting enterprise
- HB Portfolio Limited (Holding Company)  
 RRB Securities Limited (Significant influence) up to 25-03-2021
- e) Transactions with related parties.

	Amount in Rs	
	For the year ended	For the year ended
	31 March 2021	31 March 2020
<i>Remuneration to KMP</i>		
Mr. R. K. Gupta (Managing Director)	40,22,030	45,96,600
Mr Waqar Naqvi (Chief Executive Officer)	1,36,24,768	1,57,31,880
Mr Anish Shah (Chief Financial Officer) ( PY from 1st April 2019 to 30th November 2019)	-	33,45,401
Mrs Jinal Patel (Chief Financial Officer) PY from 6th March 2020 to 31st March 2020	9,35,762	1,25,672
Mrs. Anu Suri (Company Secretary)	8,87,332	10,37,993
<i>Depository charges paid to HB Securities Ltd</i>	5,719	29,972
<i>Rent Paid to HB Estate Limited</i>	5,81,100	-
<i>Electricity Charges Reimbursed to HB Estate Developer's Limited</i>	1,46,920	-
<i>Sitting Fees paid (refer c) above)</i>	11,80,000	16,30,000

**(ii) Advance to KMP**

Mrs. Anu Suri (Company Secretary)		
Amount advanced	-	-
Amount recovered	-	1,00,000

**(iii) Closing balances with related parties as at the year end**

Depository charges payable to HB Securities Limited	1,771	1,716
Electricity charges payable to HB Estate Limited	42,218	-

32 The are no separate reportable segment as per Indian Accounting Standard-108 " Operating Segments."

### 33 Employee Benefits ( Indian Accounting Standard - 19 )

The Company has recognised the expenses and liabilities towards defined benefit plans viz, Gratuity and Compensated Absences/ Leave Encashment based on the Actuarial Valuation as per IND AS-19 under PUC method. The details of disclosure are under :-

Amount in Rs.

#### a) The principal assumptions used for the purpose of actuarial valuation were as follows

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Discounting Rate (p.a.)	6.80%	6.80%	6.80%	6.80%
Future Salary Increase (p.a.)	5.25%	5.25%	5.25%	5.25%
Expected Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Mortality Table used	100% of 'IALM (2012-14)	100% of 'IALM (2012-14)	100% of 'IALM (2012-14)	IALM (2012-14)
Expected Average Remaining working lives of employees (years)	19.18	20.42	19.18	20.42
Retirement Age (years)	60	60	60	60
Withdrawal Rate ( % )				
Up to 30 years	3	3	3	3
From 31 to 44 years	2	2	2	2
Above 44 years	1	1	1	1

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations.

#### b) Movements in the present value of defined benefit obligation are as follows :

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Present Value of obligation as at the beginning of the period	78,28,967	77,71,963	50,08,311	52,52,580
Past service cost			-	-
Current service cost	6,83,779	7,17,032	4,40,448	4,97,225
Interest cost	5,32,370	5,96,184	3,40,565	4,02,923
Benefits paid	(2,93,835)	(7,28,308)	1,70,635	12,78,808
Actuarial ( gain)/loss on obligations	(4,66,600)	(5,27,904)	(7,51,508)	1,34,391
Present Value of obligation as at the end of the period	82,84,681	78,28,967	48,67,181	50,08,311
<b>Break up of PBO at end of the year</b>				
Current Liability (within 12 Months)	12,76,882	81,602	2,09,595	55,855
Non-Current Liability	70,07,799	77,47,365	46,57,586	49,52,456

#### c) Movement in the liability recognized in the Balance Sheet:

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Liability amount (net) at beginning of year	70,77,036	70,74,115	50,08,311	52,52,580
Provisions made/ (reversed) during the year	7,04,433	7,31,229	(1,41,130)	(2,44,269)
Amount used during the year	(2,93,835)	(7,28,308)	-	-
Unfunded liability amount (net) at year end	74,87,634	70,77,036	48,67,181	50,08,311

#### d) Expense recognized in the Statement of Profit and Loss:

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Current service cost	6,83,779	7,17,032	4,40,448	4,97,225
Interest cost (net)	4,87,254	5,42,101	3,40,565	4,02,923
Expenses recognized in the Statement of Profit and Loss	11,71,033	12,59,133	7,81,013	9,00,148

**e) Other Comprehensive Income (OCI)**

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Net cumulative unrecognized actuarial (gain) / loss opening		-		-
Actuarial (gain) / loss for the year on PBO	(4,66,600)	(5,27,904)	-7,51,508	1,34,391
Actuarial (gain) / loss for the year on Asset	-	-	-	-
Unrecognized actuarial (gain) / loss at the end of the year	-	-	-	-
Total Actuarial (gain)/ loss at the end of the year	(4,66,600)	(5,27,904)	-7,51,508	1,34,391

**f) The amount included in Balance Sheet arising from the entities obligation in respect of which defined benefit plans is as follows:**

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
Present value of defined benefit obligation	82,84,681	78,28,967	48,67,181	50,08,311
Fair Value of Plan Assets	7,97,047	7,51,931	-	-
<b>Net Assets/ (Liability)</b>	<b>(74,87,634)</b>	<b>(70,77,036)</b>	<b>(48,67,181)</b>	<b>(50,08,311)</b>

Gratuity Policy for Mumbai Office Employees has been taken in Earlier year however such policy has not been renewed w.e.f. the financial year 2008-2009 onwards. Cosequently all the employees of Mumbai and Delhi offices are now covered under non-funded gratuity plan. The confirmation of balance from LIC India for fair value of plan assets of Rs. 7,97,047/- as on 31-03-2021 (Rs. 7,51,931/- as on 31-03-20) is subject to cofirmation

**g) Sensitivity analysis of the defined benefit obligation**

Particulars	Gratuity		Leave Encashment	
	31.03.21	31.03.20	31.03.21	31.03.20
<b>a) Impact of the change in discount rate</b>				
Present value of the obligation at the end of the period	82,84,681	78,28,967	48,67,181	(50,08,311)
i) Impact due to increase of 0.50%	(3,08,971)	(3,26,320)	(1,57,393)	(17,316)
ii) Impact due to decrease of 0.50%	2,87,797	3,03,888	1,46,168	3,07,998
<b>b) Impact of the change in salary increase</b>				
Present value of the obligation at the end of the period	82,84,681	78,28,967	48,67,181	(50,08,311)
i) Impact due to increase of 0.50%	2,95,568	3,12,093	(1,61,643)	(17,784)
ii) Impact due to decrease of 0.50%	(3,17,313)	(3,35,131)	1,50,115	3,16,314



34 The debt schemes of Taurus Mutual Fund had invested in Commercial Papers of Ballarpur Industries Limited ("BILT") a group company of Avantha Holding Limited ("AHL") against which full provision was made consequent to default in payment of maturity proceeds during F.Y. 2016-17 which resulted in erosion in net asset value of the mutual fund investment held by the Company. In terms of agreement, AHL agreed to pay the balance amount along with interest in a phased manner. The Boards of Trustee and AMC decided that the recovery proceeds including interest payable by AHL will be paid to all the investors holding investment in the Debt Schemes of Taurus Mutual Fund, when NAV was reduced due to mark-down of BILT Commercial Paper. The amount, if any, received from Taurus Mutual Fund on recovery made from AHL is being treated as miscellaneous income by the company in the year of receipt of such amount. No amount has been received during the current year and previous year.

### 35 Transactions in foreign currency

Particulars	For the year 31 March 2021		For the year 31 March 2020	
	Amount in Rs	Foreign Currency	Amount in Rs	UAE Dirham
Earnings	Nil	Nil	Nil	Nil
Outgo:	Nil	Nil	Nil	Nil

### 36 Payments to auditors (exclusive of GST)

Particulars	Amount in Rs	
	For the year 31 March 2021	For the year 31 March 2020
As auditors		
Statutory audit	7,00,000	7,00,000
Tax audit	60,000	60,000
Other services	26,000	1,50,000
Towards reimbursement of expenses	4,725	15,300
<b>Total</b>	<b>7,90,725</b>	<b>9,25,300</b>

37 Included in the investments (refer note no.7) are securities with Book Value of Rs 39,270 (previous year Rs 39,270) acquired in the earlier years, at book value from Taurus Investment Trust Company, the trustee of Taurus Mutual fund. The Company is in the process of getting these investments transferred in its name.

### 38 LEASE

#### Lease as Lessee

The Company has taken certain office premises under lease agreement. The Company has generally entered into a lease of 1-3 years, with an escalation clause of 5 percent on renewal/every one year. The Company has given refundable interest free security deposits under certain lease agreements.

Lease payments are recognised in the Statement of Profit and Loss under "Other Expenses" in Note No. 29 Rent expenses of Rs. 72,53,812 (P.Y. Rs. 1,10,28,497) in respect of Short term/ low value leases. In respect of leases other than short term/ low value leases, Right-of-Use Asset of Rs. 4,69,120 (P.Y. Rs. 10,32,04) and a corresponding lease liability of Rs. 5,31,565 (P.Y. Rs. 10,96,779) is recognised as at 31st March, 2021. Consequently, the lease rent expense in respect of operating lease, is now partially reflected under depreciation on Right-of-Use Asset and partially under Finance Cost as interest on operating lease liability.

Particulars	Amount in Rs	
	As at 31st March, 2021	As at 31st March, 2020
(a) Depreciation charge for right-of-use assets by class of underlying asset	5,62,944	5,16,032
(b) Interest expense on lease liabilities	67,411	98,683
(c) Expense relating to short term lease	72,53,812	1,10,28,497
(d) Expense relating to low value lease	-	-
(e) Total Cash outflow for leases	78,84,167	1,16,43,212
(f) Additions to Right-of-use Assets	-	15,48,096
(g) Carrying amount of Right-of-use Assets	4,69,120	10,32,064

#### Maturity Analysis of Lease Liabilities - Other than Short term/ low value leases

Duration	As at 31st March, 2021	As at 31st March, 2020
(a) Within 12 Months	5,31,565	5,65,214
(b) More than 12 months upto 36 months	-	5,31,565
(c) More than 36 months	-	-
Total	5,31,565	10,96,779

### 39 Mutual fund expenses

#### Also Refer Note No 29

- a) Mutual fund expenses include Rs 4,04,791 (previous year Rs 11,89,410) being expenses of the mutual fund schemes managed by the Company in excess of the limits specified in SEBI regulations which are borne by the Company.
- b) Vide SEBI Circular dated 22 October 2018 and subsequent clarification vide SEBI letter dated 21 February 2019 & 25 March 2019, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Company, its Associate, sponsor, Trustee or any other entity through any route. Accordingly, all expenses related to schemes of Taurus Mutual funds have been borne by the Company till 21 October 2018 upto Financial year 2018-19.
- c) Mutual fund expenses includes Rs. NIL (PY Rs 9,63,864) paid as compensation to investors and Rs. NIL (PY Rs 1,94,82,201) to be paid to SEBI as settlement amount in response to the Show Cause Notice dt 30-09-2019 which was issued by Securities & Exchange Board of India (SEBI) to the Company (TAMCO) under Section 11(1) ,11B(1)and 11B(2) of the Securities and Exchange Board of India Act ,1992 (SEBI Act) in the matter of 4 Schemes of Taurus Mutual Fund holding debt instruments i.e. Commercial Papers of Ballarpur Industries Ltd (BILT) stating that why the penalty can not be imposed upon the company under section 15D(b) and 15HB of the SEBI Act read with Section 11 B(2) of the SEBI Act for the alleged violations.

Against the above notice, the Company has filed consent application under SEBI (Settlement Proceedings) Regulations, 2018 on 28/11/2019. In response to the consent application and SEBI's Internal Committee (IC) held on 04/03/2020, Company has revised its settlement terms for the further consideration and as per the Board approval dt 14/03/2020 accepting the settlement terms with settlement amount of Rs. 1,94,82,201 (payable to SEBI) as proposed by the Internal Committee of SEBI.

SEBI in response to the Company's settlement application, vide its mail dt 11/06/2020 has informed the Company that the High Power Advisory Committee (HPAC) has recommended that the probable / specified proceedings against TAMCO may be settled upon a payment of Rs. 1,94,82,201 (Rs. One Crore Ninety Four lakhs Eighty Two Thousand Two Hundred and One only) towards the settlement within 15 days time i.e. 26/06/2020. The approval of the Committee is subject to TAMCO's re-confirmation that all the investors in the effected scheme (including compensation to investors who has subscribed to the scheme on the day of default) have been compensated as non-monetary terms. The Company has paid the settlement amount to SEBI on 25-06-2020.

- d) A show cause notice, issued by the SEBI vide letter no. EAD5/MC/VS/2020/10554/1-6 dated May 06, 2020 to 6 entities, i.e., Taurus Investment Trust Co. Ltd (TITCO), Mr. Waqar Naqvi (CEO), Ms. Anu Suri (Company Secretary & Compliance Officer), Mr. Amarjeet Singh, Mr. Dheeraj Singh and Mr. Archit Shah (Ex-Employees) of TAMCO under Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, ("Adjudication rules") in the BILT Matter in their meeting held on June 22,2020. In response to the SCN a consent application was filed on June 10, 2020 by all the 6 noticees for a proposed joint settlement amount of INR 29,45,250 (Rupees Twenty-Nine Lakh Forty-Five Thousand Two Hundred and Fifty) to settle the allegation made against all the noticees through the asset management company.

An Internal Committee meeting was convened by SEBI on February 17, 2021, the Authorised Legal Representative of TITCO and other noticees, attended the meeting and proposed the revised settlement amount to INR 40,67,250 (Rupees Forty Lakh Sixty-Seven Thousand Two Hundred and Fifty only) towards Joint and Several Liability of all the noticees named in the SCN. A further confirmation letter vide dtd 19-02-2021, by the authorized representative of TITCO, was submitted to SEBI to confirm the acceptance to pay the revised settlement amount of INR 40,67,250. SEBI vide mail dated 15-06-2021 has intimated that the High Powered Advisory committee (HPAC) of SEBI has recommended that the matter may be settled upon the payment of Rs.40,67,250 (Rs. Forty Lakhs Sixty Seven Thousand Two Hundred Fifty Only) as per settlement terms within 15 days in terms of Regulation 15(2) of the (Settlement Regulation) to process the application for disposal. According the company has recognised the amount as expense as on 31-03-2021 and paid the same on June 21, 2021.

### 40 Goods & Service Tax ( GST )

The Company has availed the input tax credit in case of Goods and Service Tax based on the invoices of the Vendors/Service providers for the Financial year 2020-21. The updation of GSTR-2A is pending due to non-filing of Monthly GST Return by some of the Vendors and Service Providers. Therefore, the final reconciliation of the input as available in GSTR-2A for the year 2020-21 and the amount of input claimed is pending as on 31-03-2021. In view of this, the necessary adjustment for short /(excess) input tax credit if any, that would arise post reconciliation of the GSTR-2A and GSTR-3B and GSTR-9 will be accounted for in the subsequent year .

41 As per information available with the Company, the outstanding amounts payable towards enterprises as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 (also refer Note 14) are given below:

Particulars	Amount in Rs	
	As at 31 March 2021	As at 31 March 2020
Principal amount due and remaining unpaid	1,64,476	4,93,566
Interest due on above and unpaid interest	Nil	Nil
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil

42 Information in respect of Corporate Social Responsibility Expenditure required to be spent by the company:

Particulars	Amount in Rs	
	As at 31 March 2021	As at 31 March 2020
a) Gross amount required to be spent by the company	-	-
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
c) Amount payable at the Year End	-	-

43 Contingent Liabilities and Commitments

	Amount in Rs	
	As at 31 March 2021	As at 31 March 2020
a) Contingent liabilities to the extent not provided for	Nil	Nil
b) Capital Commitments to the extent not provided for	Nil	Nil
c) Other Commitments to the extent not provided for	Nil	Nil

44 The **Novel Coronavirus (COVID-19)** outbreak which was declared as a global pandemic by World Health Organisation on 11 March 2020, continues to spread across the globe including India resulting in significant impact on global and India's economic environment including volatility in the capital markets. The Company has assessed and evaluated the impact of COVID-19, to the extent possible, on its operations as well as its financial statements. There is no material impact on the financial statements of the Company in respect of realisation of assets and receivables due to the COVID-19 pandemic situation in the country. The Company will however continue to closely monitor any changes to the future economic conditions that may have any impact on its business and financial position.

**45 Maturity analysis of Assets and Liabilities:**

The table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

(Amount in Rs.)

Particulars	31st March, 2021			31st March, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	80,87,798	-	80,87,798	66,00,016	-	66,00,016
Bank Balances other than cash and cash equivalents	-	-	-	1,00,00,000	-	1,00,00,000
Trade Receivables	74,40,304	-	74,40,304	17,43,163	-	17,43,163
Loans	35,01,92,431	3,76,137	35,05,68,568	30,00,35,758	5,46,298	30,05,82,056
Investments	15,83,68,876	5,73,94,005	21,57,62,881	15,80,60,968	5,20,43,120	21,01,04,088
Other Financial Assets	27,49,849	-	27,49,849	21,19,999	2,79,070	23,99,069
<b>Non-Financial Assets</b>						
Current tax assets	1,48,93,634	-	1,48,93,634	2,81,13,182	-	2,81,13,182
Property, Plant and Equipment	-	27,84,957	27,84,957	-	32,52,323	32,52,323
Right of Use Lease Assets	-	4,69,120	4,69,120	-	10,32,064	10,32,064
Other Intangible Assets	-	3,62,857	3,62,857	-	4,64,098	4,64,098
Other non -financial assets	94,86,286	7,59,234	1,02,45,520	1,66,12,000	7,59,234	1,73,71,234
<b>TOTAL ASSETS</b>	<b>55,12,19,180</b>	<b>6,21,46,311</b>	<b>61,33,65,490</b>	<b>52,32,85,086</b>	<b>5,83,76,207</b>	<b>58,16,61,292</b>
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
Trade Payables						
- total outstanding dues of micro enterprises and small enterprises	1,64,476	-	1,64,476	4,93,566	-	4,93,566
- total outstanding dues of creditors other than micro enterprises and small enterprises	23,03,971	-	23,03,971	31,23,717	-	31,23,717
Other financial liabilities	5,31,565	-	5,31,565	5,65,214	5,31,565	10,96,779
<b>Non Financial Liabilities</b>						
Provisions	14,86,477	1,08,68,338	1,23,54,815	1,37,457	1,19,47,890	1,20,85,347
Deferred tax liabilities (Net)	-	19,37,880	19,37,880	-	3,83,986	3,83,986
Other non-financial liabilities	75,13,963	-	75,13,963	2,40,21,320	-	2,40,21,320
<b>TOTAL LIABILITIES</b>	<b>1,20,00,451</b>	<b>1,28,06,218</b>	<b>2,48,06,669</b>	<b>2,83,41,274</b>	<b>1,28,63,441</b>	<b>4,12,04,715</b>
<b>Net</b>	<b>53,92,18,729</b>	<b>4,93,40,093</b>	<b>58,85,58,821</b>	<b>49,49,43,812</b>	<b>4,55,12,766</b>	<b>54,04,56,577</b>

#### 46 Fair Value Measurement

##### Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

The carrying value and fair value of financial instruments by categories as of 31 March 2021 are as follows:

Particulars	Carrying Amount				Fair Value			
	Amortised cost	Fair value through Profit & Loss	Equity investments - Fair value through other comprehensive income	Total	Level 1	Level 2	Level 3	Total
<b>31st March, 2021</b>								
<b>Financial Assets</b>								
Cash and cash equivalents	80,87,798			80,87,798	-	-	-	-
Bank Balances other than cash and cash equivalents	-			-	-	-	-	-
Trade Receivables	74,40,304			74,40,304	-	-	-	-
Loans	35,05,68,568			35,05,68,568	-	-	-	-
Investments	32,15,442	18,93,12,866	2,32,34,573	21,57,62,881	9,16,36,745	-	12,41,26,136	21,57,62,881
Other Financial Assets	27,49,849			27,49,849	-	-	-	-
<b>TOTAL</b>	<b>37,20,61,962</b>	<b>18,93,12,866</b>	<b>2,32,34,573</b>	<b>58,46,09,401</b>	<b>9,16,36,745</b>	<b>-</b>	<b>12,41,26,136</b>	<b>21,57,62,881</b>
<b>Financial Liabilities</b>								
Trade Payables								
- total outstanding dues of micro enterprises and small enterprises	1,64,476	-	-	1,64,476				
- total outstanding dues of creditors other than micro enterprises and small enterprises	23,03,971	-	-	23,03,971				
Other financial liabilities	5,31,565	-	-	5,31,565				
<b>TOTAL</b>	<b>30,00,012</b>	<b>-</b>	<b>-</b>	<b>30,00,012</b>				

The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:

Particulars	Carrying Amount				Fair Value			
	Amortised cost	Fair value through Profit & Loss	Equity investments - Fair value through other comprehensive income	Total	Level 1	Level 2	Level 3	Total
<b>31st March, 2020</b>								
<b>Financial Assets</b>								
Cash and cash equivalents	66,00,016			66,00,016	-	-	-	-
Bank Balances other than cash and cash equivalents	1,00,00,000			1,00,00,000	-	-	-	-
Trade Receivables	17,43,163			17,43,163	-	-	-	-
Loans	30,05,82,056			30,05,82,056	-	-	-	-
Investments	68,16,600	18,00,89,762	2,31,97,725	21,01,04,088	6,41,31,516	-	14,59,72,572	21,01,04,088
Other Financial Assets	23,99,069			23,99,069	-	-	-	-
<b>TOTAL</b>	<b>32,81,40,905</b>	<b>18,00,89,762</b>	<b>2,31,97,725</b>	<b>53,14,28,392</b>	<b>6,41,31,516</b>	<b>-</b>	<b>14,59,72,572</b>	<b>21,01,04,088</b>
<b>Financial Liabilities</b>								
Trade Payables								
- total outstanding dues of micro enterprises and small enterprises	4,93,566	-	-	4,93,566				
- total outstanding dues of creditors other than micro enterprises and small enterprises	31,23,717	-	-	31,23,717				
Other financial liabilities	10,96,779	-	-	10,96,779				
<b>TOTAL</b>	<b>47,14,062</b>	<b>-</b>	<b>-</b>	<b>47,14,062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Level 1:** The fair value of financial instruments traded in active markets (such as equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example unlisted equity shares, mutual funds, unquoted bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, unquoted mutual funds, unquoted bonds.

**47 Financial risk management**

The Company's financial assets are investment in equity shares, bonds, mutual funds, security deposit, cash and cash equivalents & financial liabilities comprise trade and other payables only. The Company is an Asset Management Company and has been generating income from Management fees and investments of its surplus funds in equity shares, mutual funds and bonds.

The Company's activities expose to financial risk i.e. Liquidity Risk, Market Risk, Credit risk etc. The Board of Directors reviews and agrees policies for managing each of applicable type of financial risks, which are summarised as below :

**a) Liquidity risk**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance of sufficient cash to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company.

The following is the contractual maturities of the financial liabilities: (Amount in Rs.)

Particulars	Carrying amount (At amortised Cost)	1-12 months	More than 12 months
<b>Non-derivative liabilities</b>			
<b>As at March 31, 2020</b>			
Other financial liabilities	10,96,779	5,65,214	5,31,565
Trade /Other payables	36,17,283	36,17,283	-
<b>Total</b>	<b>47,14,062</b>	<b>41,82,497</b>	<b>5,31,565</b>
<b>As at March 31, 2021</b>			
Other financial liabilities	5,31,565	5,31,565	-
Trade /Other payables	24,68,447	24,68,447	-
<b>Total</b>	<b>30,00,012</b>	<b>30,00,012</b>	<b>-</b>

**b) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

**(i) Foreign currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has neither payables & receivables in foreign currency, not holding Foreign Assets and also not entered into transactions in the foreign currency during the year under report, therefore the company activities are not exposed to foreign exchange risk.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The interest rate risk exposure is mainly from changes in fixed and floating interest rates. However the company is not exposed to Interest Rate Risk, as the Company has no borrowings at the reporting date.

**(iii) Other Price Risk**

Other Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market trade price/ quoted price/ declared NAV. The Company is exposed to price risk arising mainly from Investment in Equity shares and Debt based Mutual Funds. The investment of the Company in Equity shares is measured at fair value through Profit and loss which falls in medium risk category and investment in debt based mutual funds is measured at fair value through profit or loss which falls in very low risk category.

**c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is not carrying any business activities and thus has no transaction with customer. The Company has given loan/ inter corporate deposit to parties on which company is receiving interest regularly hence the Company is exposed to very low level of credit risk from its lending activity. The deposits with bank and other financial assets are generally not exposed to credit risk.

**48 Capital management**

The Capital structure of the Company consists of Cash and Cash equivalents and equity attributable to equity shareholders of the company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

The Company's objectives when managing capital are to :

- (i) maximize the shareholder value, and
- (ii) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

#### 49 Adoption of New Tax Rate

The Company has decided to exercise the option permitted u/s 115BAA of the Income tax Act, 1961 as introduced by Taxation laws (amendment Ordinance 2019 from the current year) accordingly the provision for income tax and deferred tax balances recorded / re-measured using the new tax rate and resultant impact have been recognized in the current periods audited financial statements. Upon the adoption of reduced Income Tax Rate, the provision of Minimum Alternate Tax (MAT) under Sec 115 JAA and Sec 115 JB(2A) will no longer be applicable to the company, hence the MAT Credit of Rs. 7,92,45,552 as per ITR upto F.Y. 2019-20 (A.Y. 2020-21) stands forfeited. However the impact of the forfeiture of the MAT credit has not been reflected in the statement of profit and loss as the MAT Credit is not appearing in the books of accounts.

#### 50 Current Tax and Deferred Tax

##### (a) Income Tax Expense through Profit & Loss

Particular	Amount in Rs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Current Tax</b>		
Current income Tax charge	24,19,528	3,387
<b>Deffered Tax</b>		
In respect of current year origination and reversal of temporary differences	12,89,624	1,11,533
<b>Total Tax Expense recognised in Profit &amp; Loss A/c</b>	<b>37,09,152</b>	<b>1,14,920</b>

##### (b) Income Tax on Other Comprehensive income

Particular	Amount in Rs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Current Tax</b>		
Re measurement of defined benefit Obligations	4,65,335	1,75,491
Fair Value Gain through other comprehensive income on Equity Instruments	23,59,865	23,85,439
	<b>28,25,200</b>	<b>25,60,930</b>

##### (c) Numerical reconciliation between average effective tax rate and applicable tax rate

The Major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the company at 25.168% (31st March 2020 26.00%) and the reported tax expense in the statement of profit and loss are as follows:

Particular	Amount in Rs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Profit/ (Loss) before tax</b>	5,08,20,709 -	6,39,62,281
Domestic Tax Rate for the Company	25.168%	26.000%
Latest statutory enacted income tax for the company	1,27,90,556	-
<b>Tax effect of</b>		
-Deffered Tax liability due to timing difference	12,89,624	1,11,533
-Non Deductible expense	22,98,477	-
-Deductible expense of Rs. 39606866	- 99,68,256	-
-set off carry forward business loss against net business income	- 23,28,984	-
-Tax rate difference (for capital gain)	- 3,72,265	-
Others	-	3,387
<b>Income tax recognised in statement of profit and loss</b>	<b>37,09,152</b>	<b>1,14,920</b>

The accompanying notes 1 to 50 form an integral part of the financial statements.

As per our report of even date attached

**For Thakur, Vaidyanath Aiyar & Co.**

Chartered Accountants  
Firm Regn. No. 000038N

For and on behalf of the Board of Directors

**M.P. Thakur**  
Partner  
Membership No. 052473

**Harbans Lal**  
Director  
DIN: 00076405

**R.K. Gupta**  
Managing Director  
DIN: 00021659

**Waqar Naqvi**  
Chief Executive Officer

**Jinal Patel**  
Chief Financial Officer

**Anu Suri**  
Company Secretary  
Membership No. 27744

Place : Gurugram  
Date : 24.06.2021