

Walker Chandniok & Co LLP

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Independent Auditor's Report

To the Members of Taurus Asset Management Company Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Taurus Asset Management Company Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure I, 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 purpose 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 financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 August 2016 as per Annexure II expressed unmodified opinion; and
 - g. 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:



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- i. the Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiok & Co LLP

For **Walker Chandiok & Co LLP**

(Formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rajni Mundra

per **Rajni Mundra**

Partner

Membership No.: 058644



Place: New Delhi

Date: 30 August 2016

Walker Chandniok & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Taurus Asset Management Company Limited on the financial statements for the year ended 31 March 2016

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (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 title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, 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) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts 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) There are no dues in respect of income-tax, sales-tax, 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 dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any loans or borrowings payable to a financial institution or government. Further, it did not have any outstanding debentures during the year.



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Annexure I to the Independent Auditor's Report of even date to the members of Taurus Asset Management Company Limited on the financial statements for the year ended 31 March 2016 (Cont'd)

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). The term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion 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 directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
(Formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.: 001076N/ N500013

Rajni Mundra
per **Rajni Mundra**
Partner
Membership No.: 058644



Place: New Delhi
Date: 30 August 2016

Annexure II to the Independent Auditor's Report of even date to the members of Taurus Asset Management Company Limited on the financial statements for the year ended 31 March 2016

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the financial statements of Taurus Asset Management Company Limited (the 'Company') as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 (the 'Guidance Note') 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 the Company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised



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Annexure II to the Independent Auditor's Report of even date to the members of Taurus Asset Management Company Limited on the financial statements for the year ended 31 March 2016 (Cont'd)

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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 issued by the ICAI.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rajni Mundra
per **Rajni Mundra**
Partner
Membership No.: 058644



Place: New Delhi
Date: 30 August 2016

Taurus Asset Management Company Limited
Balance sheet as at 31 March 2016

	Notes	As at 31 March 2016	Amount in ₹ As at 31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	4	147,375,000	147,375,000
Reserves and surplus	5	183,380,498	53,590,226
		<u>330,755,498</u>	<u>200,965,226</u>
Non-current liabilities			
Long-term borrowings	6	1,362,079	2,641,715
Deferred tax liabilities, (net)	11	-	161,969
Long-term provisions	7	9,440,093	6,112,527
		<u>10,802,172</u>	<u>8,916,211</u>
Current liabilities			
Trade payables			
Total outstanding dues of micro and small enterprises			
Total outstanding dues of creditors other than micro and small enterprises		4,696,736	3,640,924
Other current liabilities	8	13,566,226	13,484,586
Short-term provisions	7	3,944,913	2,658,270
		<u>22,207,875</u>	<u>19,783,780</u>
TOTAL		<u>363,765,545</u>	<u>229,665,217</u>
Assets			
Non-current assets			
Fixed assets	9		
Tangible assets		22,012,463	23,271,777
Intangible assets		496,834	262,583
Non-current investments	10	71,292,246	47,058,871
Deferred tax assets, (net)	11	119,123	-
Long-term loans and advances	12	6,631,844	8,956,858
		<u>100,552,510</u>	<u>79,550,089</u>
Current assets			
Current investments	10	72,388,402	74,598,555
Trade receivables	13	21,819,779	17,524,586
Cash and bank balances	14	4,201,340	3,484,988
Short-term loans and advances	12	161,781,996	53,948,531
Other current assets	15	3,021,518	558,468
		<u>263,213,035</u>	<u>150,115,128</u>
TOTAL		<u>363,765,545</u>	<u>229,665,217</u>

Notes 1 to 31 are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

Walker, Chandniok & Co LLP
For Walker Chandniok & Co LLP
(formerly Walker, Chandniok & Co)
Chartered Accountants

Rajni Mundra
per Rajni Mundra
Partner



Waqar Naqvi
Chief Executive Officer

J.P. Kundra
Chairman
DIN: 00004228

Amarjeet Singh
Chief Financial Officer

R.K. Gupta
Managing Director
DIN: 00021659

Anu Suri
Company Secretary

Place : New Delhi
Date : 30 August 2016

Taurus Asset Management Company Limited
Statement of profit and loss for the year ended 31 March 2016

	Notes	Amount in ₹	
		For the year ended 31 March 2016	For the year ended 31 March 2015
Revenue			
Revenue from management fee		215,408,589	186,195,992
Other income	16	<u>102,558,602</u>	<u>48,207,772</u>
		<u>317,967,191</u>	<u>234,403,764</u>
Expenses			
Employee benefits expense	17	93,165,648	85,141,484
Finance costs	18	907,185	1,376,936
Depreciation and amortisation expense	9	1,974,758	3,205,487
Other expenses	19	<u>60,712,290</u>	<u>52,549,964</u>
		<u>156,759,881</u>	<u>142,273,871</u>
Profit before tax		161,207,310	92,129,893
Tax expense			
Current year		31,698,130	17,627,300
Tax earlier years		-	216,380
Deferred tax benefit		-281,092	-466,584
Profit for the year		<u>129,790,272</u>	<u>74,752,797</u>
Earnings per equity share - basic	20	8.81	5.07

Notes 1 to 31 are an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

Rajni Mundra
per **Rajni Mundra**
Partner



Waqar Naqvi
Waqar Naqvi
Chief Executive Officer

For and on behalf of the Board of Directors

J.P. Kundra
J.P. Kundra
Chairman
DIN: 00004228

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

Amarjeet Singh
Amarjeet Singh
Chief Financial Officer

Anu Suri
Anu Suri
Company Secretary

Place : New Delhi
Date : 30 August 2016

Taurus Asset Management Company Limited
Cash flow statement for the year ended 31 March 2016

	Amount in ₹	
	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities :		
Net profit before tax	161,207,310	92,129,893
Adjustment for:		
Depreciation and amortisation	1,974,758	3,205,487
Interest expense on vehicle loans	324,541	400,509
Loss on disposal of fixed assets	48,660	184,300
Provision for diminution in value of long-term investments/(written back)	-11,393,200	632,085
Interest income	-17,052,737	(4,992,207)
Dividend income	-2,735,068	(642,743)
Net gain on sale of investments	-71,322,356	(42,571,197)
Operating profit before working capital changes	61,051,908	48,346,127
Adjustment for changes in working capital :		
- Movement in trade receivables	-4,295,192	(49,462)
- Movement in loans and advances	-102,247,960	(39,154,520)
- Movement in trade payables	1,055,811	(6,367,146)
- Movement in other current liabilities	-33,793	8,578,403
- Movement in provisions	1,357,164	556,188
Cash (used)/generated from operations	-43,112,062	11,909,590
Income-taxes paid (net of refund)	-30,744,645	(11,075,923)
Net cash generated from/(used in) operating activities	-73,856,707	833,667
B. Cash flow from investing activities:		
Purchase of fixed assets	-1,029,626	(2,195,884)
Sale proceeds from fixed assets	31,271	315,039
Sale proceeds from investment	476,461,826	239,502,530
Purchase of investments	-415,769,491	(243,493,216)
Interest received	13,632,756	5,078,510
Dividend received	2,735,068	642,743
Net cash generated from/(used in) investing activities	76,061,804	-150,278
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	-	1,230,000
Repayment of long-term borrowings	-1,156,071	(932,189)
Interest paid on vehicle loans	-332,674	(396,607)
Net cash used in financing activities	-1,488,745	-98,796
Net increase in cash and cash equivalents (A+B+C)	716,352	584,593
Cash and cash equivalents at the beginning of the year	3,484,988	2,900,395
Cash and cash equivalents at the end of the year (refer note 14)	4,201,340	3,484,988
Cash and cash equivalents comprise		
Cash on hand	20,105	21,008
Balances with banks		
- in current accounts	4,181,235	3,463,980
	4,201,340	3,484,988

Notes 1 to 31 are an integral part of these financial statements.

This is the cash flow statement referred to in our report of even date.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

Rajni Mundra
per **Rajni Mundra**
Partner



Waqar Naqvi
Waqar Naqvi
Chief Executive Officer

For and on behalf of the Board of Directors

J.P. Kundra
J.P. Kundra
Chairman
DIN: 00004228

Amarjeet Singh
Amarjeet Singh
Chief Financial Officer

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

Ana Suri
Ana Suri
Company Secretary

Place : New Delhi
Date : 30 August 2016

Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

1. Basis of Preparation

The financial statements have been prepared to comply with the generally accepted accounting principles in India (Indian GAAP) comprising mandatory accounting standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Company (Accounts) Rules 2014 and relevant provision of the Act. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

2. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a SMC.

3. Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

b) Fixed assets and intangibles

Tangibles

Fixed assets are stated at cost (gross block) less accumulated depreciation. The cost of fixed assets comprises its purchase price and any cost attributable to bringing the assets to its working condition and intended use.

Intangibles

Intangible assets comprise softwares and licenses which are stated at cost less accumulated amortisation. These are recognised as assets if it is probable that future economic benefits attributable to such assets will flow to the Company and the cost of the assets can be measured reliably.

c) Depreciation and amortisation

Depreciation on tangible fixed assets is provided on straight line method as per useful life specified in Schedule II of the Act.

Depreciation on additions is charged proportionately from the date of acquisition/ installation. Depreciation on deletions is charged till the date of disposal of asset.

Intangible assets are amortized on a straight line basis over the estimated useful life of the asset

d) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of the long term investments.

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Taurus Asset Management Company Limited
Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

e) Revenue recognition

- i. Management fees are accounted for on an accrual basis at the agreed upon rates with the schemes with reference to their average daily net assets.
- ii. Interest income is accounted for on an accrual basis on time proportionate basis at the applicable rates.
- iii. Dividend income is accounted for as income when the Company's right to receive it is established.
- iv. The gains/ losses on sale of investments are recognised in the statement of profit and loss on the trade day. Profit or loss on sale of investments is determined on average cost basis.

f) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the of the lease term.

g) Employee benefits

Wages, salaries, bonuses and sick leave are accrued in the year in which the associated services are rendered by employees of the Company.

The Company has two post employment benefit plans in operation viz. Gratuity and Leave encashment and one defined contribution plan viz. Provident Fund.

Provident fund benefit is a defined contribution plan under which the Company pays fixed contribution into funds established under Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

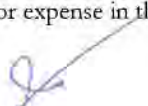
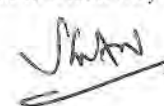

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method at the balance sheet date.

The Company also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as a long term benefit. The compensated absences comprises of vesting as well as non vesting benefit and the liability is determined in accordance with the rules of the Company and is based on actuarial valuations made using the projected unit credit method at the balance sheet date.

h) Foreign exchange transactions

Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date.

Exchange differences arising on the settlement/ restatement of monetary items at the rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expense in the year in which they arise.

Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

i) Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

j) Impairment of assets

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of asset. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is charged to the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

k) Taxes on income

Tax expenses comprises of current and deferred tax.

Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115JB of the Income tax Act, 1961.

Deferred income-tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset to the extent it pertains to unabsorbed business loss/ depreciation is recognized only to the extent that there is virtual certainty of realization based on convincing evidence, as evaluated on a case to case basis.

Minimum Alternate tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during the specified period.

l) Provisions and contingencies

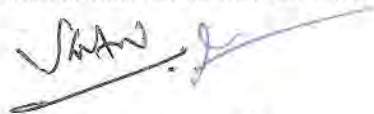
The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- present obligation, where a reliable estimate cannot be made.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.



Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	As at		As at		Amount in ₹
	31 March 2016		31 March 2015		
	Number	Amounts	Number	Amounts	
4 Share capital					
Authorised share capital					
Equity shares of ₹ 10 per share	16,000,000	160,000,000	16,000,000	160,000,000	
Redeemable preference shares of ₹ 10 per share	3,000,000	30,000,000	3,000,000	30,000,000	
	<u>19,000,000</u>	<u>190,000,000</u>	<u>19,000,000</u>	<u>190,000,000</u>	
Issued					
Equity shares of ₹ 10 per share	15,060,003	150,600,030	15,060,003	150,600,030	
Subscribed and fully paid up					
Equity shares of ₹ 10 per share	13,800,000	138,000,000	13,800,000	138,000,000	
Subscribed and not fully paid up					
Equity shares of ₹ 10 each paid up of ₹ 7.50 per share	1,250,000	9,375,000	1,250,000	9,375,000	
	<u>15,050,000</u>	<u>147,375,000</u>	<u>15,050,000</u>	<u>147,375,000.00</u>	

a) Reconciliation of equity share capital as at the beginning and at the end of the year

Balance at the beginning/end of the year	15,050,000	147,375,000	15,050,000	147,375,000
--	------------	-------------	------------	-------------

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

	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each				
HB Portfolio Ltd	7,525,000	50.00%	7,525,000	50.00%
RRB Securities Ltd	4,496,940	29.88%	4,496,940	29.88%
HB Stockholdings Ltd	3,028,000	20.12%	3,028,000	20.12%

c) The Company has issued only one class of equity shares having a par value of ₹ 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 any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) 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.

* 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.

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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	Amount in ₹	
	As at 31 March 2016	As at 31 March 2015
5 Reserves and surplus		
Amalgamation reserve		
Balance at the beginning/and of the year	2,100,000	2,100,000
Securities premium reserve		
Balance at the beginning/end of the year	65,625,000	65,625,000
Deficit in the statement of profit and loss		
Balance at the beginning of the year	-14,134,774	-88,035,090
Add : Profit for the year	129,790,272	74,752,797
Less: Depreciation adjustment (net of deferred tax) (refer note 9)	-	-852,481
Balance at the end of the year	<u>115,655,498</u>	<u>-14,134,774</u>
	<u>183,380,498</u>	<u>53,590,226</u>
6 Long-term borrowings		
Secured		
Vehicle loans from banks*	<u>1,362,079</u>	<u>2,641,715</u>
	<u>1,362,079</u>	<u>2,641,715</u>

* These loans carry interest ranging from 9.83 percent to 10.51 percent, repayable in 36 to 60 equal monthly instalments and are due for repayment by July 2018. These loans are secured by hypothecation of the respective vehicle.

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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	31 March 2016		31 March 2015	
	Long-term	Short-term	Long-term	Short-term
	Amount in ₹			
7 Provisions				
Provisions for employee benefits (also refer note (a) below)				
- Gratuity	4,674,315	61,200	3,221,562	1,060,980
- Compensated absences	4,765,778	44,024	2,890,965	1,597,290
Other provisions for current income taxes (net)*	-	3,839,689	-	-
	9,440,093	3,944,913	6,112,527	2,658,270

Net of tax deducted at source of ₹ 28,441,085/-

a) Employee benefits

Actuarial valuation has been done with the following assumptions:

Particulars	As at 31 March 2016		As at 31 March 2015	
	Gratuity (Partly funded)	Compensated absences (unfunded)	Gratuity (Partly funded)	Compensated absences (unfunded)
Assumptions used				
Discount rate	7.50%	7.50%	7.75%	7.75%
Long-term rate of compensation increase	5.25%	5.25%	5.25%	5.25%
Rate of return on plan assets	8.35%	-	9.00%	-

Note:

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

8 Other current liabilities

Current maturities of long-term borrowings
Interest accrued but not due on long-term borrowings
Statutory dues
Employee related payables
Other liabilities

	Amount in ₹	
	As at 31 March 2016	As at 31 March 2015
Current maturities of long-term borrowings	1,279,637	1,156,071
Interest accrued but not due on long-term borrowings	17,837	25,970
Statutory dues	2,243,406	2,404,732
Employee related payables	8,896,296	9,175,679
Other liabilities	1,129,050	722,134
	13,566,226	13,484,586

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Taurus Asset Management Company Limited
Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

Gross block	Tangible assets						Intangible assets		Total	Computer Software	Total
	Buildings	Computers	Furniture and fixtures	Vehicles	Office equipment	Leaschold improvements	Computer	Software			
Balance as at 1 April 2014	21,853,270	8,217,424	1,464,003	6,447,083	2,958,547	1,634,801			42,575,128	3,564,140	3,564,140
Additions	-	319,356	-	1,662,807	201,333	-	-	-	2,183,496	12,388	12,388
Disposals	-	-1,085,560	-	-1,206,060	-105,436	-	-	-	-2,397,056	-	-
Balance as at 31 March 2015	21,853,270	7,451,220	1,464,003	6,903,830	3,054,444	1,634,801			42,361,568	3,576,528	3,576,528
Additions	-	385,770	7,313	-	225,369	-	-	-	618,452	411,174	411,174
Disposals	-	-483,514	-	-	-291,513	-	-	-	-775,027	-	-
Balance as at 31 March 2016	21,853,270	7,353,476	1,471,316	6,903,830	2,988,300	1,634,801			42,204,993	3,987,702	3,987,702
Accumulated depreciation and amortisation											
Balance as at 1 April 2014	6,158,549	6,616,684	893,764	1,001,400	919,441	1,178,852			16,768,690	3,065,369	3,065,369
Charge for the year	341,780	940,632	91,347	853,063	1,617,788	374,208			4,218,818	248,576	248,576
Reversal on disposal of assets	-	-1,066,496	-	-770,874	-60,347	-			-1,897,717	-	-
Balance as at 31 March 2015	6,500,329	6,490,820	985,111	1,083,589	2,476,882	1,553,060			19,089,791	3,313,945	3,313,945
Charge for the year	342,716	334,401	89,193	831,954	199,571	-			1,797,835	176,923	176,923
Reversal on disposal of assets	-	-464,031	-	-	-231,065	-			-695,096	-	-
Balance as at 31 March 2016	6,843,045	6,361,190	1,074,304	1,915,543	2,445,388	1,553,060			20,192,530	3,490,868	3,490,868
Net block											
Balance as at 31 March 2015	15,352,941	960,400	478,892	5,820,241	577,562	81,741			23,271,777	262,583	262,583
Balance as at 31 March 2016	15,010,225	992,286	397,012	4,988,287	542,912	81,741			22,012,463	496,834	496,834

Note

In the previous year effective from 1 April 2014, the Company has revised the estimates of computing the depreciation based on the revised useful life of the assets as per the requirements of Schedule II of the Act. Due to the aforementioned, the depreciation and amortisation charge for the year ended 31 March 2015 is higher by Rs. 624,228 and fixed assets and profit for the previous year is lower by a corresponding amount. Further, based on the transitional provisions provided in Schedule II of the Act, an amount of Rs. 852,481 (net of deferred tax) has been adjusted with the opening reserves as at 1 April 2014.

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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	As at 31 March 2016		As at 31 March 2015	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
10 Non-current investments				
Long term, non- trade, fully paid up				
Investments in bonds				
Unquoted				
10.75% Shriram Transport Finance Company Limited (Bonds of face value ₹ 100,000 each)	35	3,500,000	35	3,500,000
10.90% Tata Motors Finance Limited (Bonds of face value ₹ 500,000 each)	5	2,627,500	5	2,627,500
9.65% IDBI Bank Limited (Bonds of face value ₹ 1,000,000 each)	2	2,060,000	2	2,060,000
9.75% IFCI Limited (Bonds of face value ₹ 1,000,000 each)	3	3,000,000	3	3,000,000
Investments in Mutual funds				
Unquoted				
Taurus Starshare - Direct - Growth	55,078,211	5,000,000	-	-
Taurus Discovery Fund - Direct - Growth	76,033,058	2,300,000	-	-
Taurus Bonanza Fund - Direct - Growth	35,093,316	2,200,000	-	-
Taurus Infrastructure Fund - Direct - Growth	38,335,159	700,000	-	-
Taurus Tax Shield - Direct - Growth	93,075,205	5,000,000	-	-
Taurus Ethical fund - Direct - Growth	45,971,449	1,900,000	-	-
Taurus Nifty Index Fund - Direct - Growth	3,224,018	50,000	-	-
Taurus Banking and Financial Services - Direct - Growth	42,444,822	750,000	-	-
Taurus Short Term Income Fund - Direct - Growth	2,019,438	5,000,000	-	-
Taurus Ultra Short Term - SIG - Direct - Growth	2,942,190	5,000,000	-	-
Taurus Liquid Fund - SIG - Direct - Growth	3,280,235	5,000,000	-	-
Taurus Dynamic Fund - Direct - Growth	142,721,557	2,000,000	-	-
Taurus MIP Advantage Fund - Direct - Growth	142,419,228	2,100,000	-	-
Investments in equity instruments				
Equity shares of ₹ 10 each unless stated otherwise				
(a) Listed but not quoted				
ADS Diagnostics Limited	25,000	110,825	25,000	110,825
Aditya Aquaculture Limited	350,100	3,501	350,100	3,501
Agri Marine Exports Limited	73,300	733	73,300	733
Astan Vegpro Industries Limited	100,000	1,000	100,000	1,000
Aurora Coke Limited	250,000	2,500	250,000	2,500
Consolidated Containers Limited	12,500	125	12,500	125
Deep Diamond India Limited	100,000	3,500	100,000	3,500
Flora Textiles Limited	300,100	3,001	300,100	3,001
Gujarat Chemical Plasto Limited	25,000	250	25,000	250
Gummadi Industries Limited	100,100	1,001	100,100	1,001
Hindustan Domestic Oil Limited	42,400	424	42,400	424
Hytasun Magnetics Limited	35,500	355	35,500	355
Jaswal Granites Limited	150,000	1,500	150,000	1,500
Kumars Kotex Limited	300,100	3,001	300,100	3,001
LD Textiles Limited	225	2	225	2



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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

		As at 31 March 2016		As at 31 March 2015	
		No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Manav Pharma Limited	-	24,900	249	24,900	249
Maya Agro Limited	*	99,000	990	99,000	990
Montana International Limited	*	148,800	1,488	148,800	1,488
M S Securities Limited	*	100,000	1,000	100,000	1,000
Naraingarh Sugar Mills Limited		250,000	2,500	250,000	2,500
Noel Agritech Limited		165,200	1,652	165,200	1,652
Nortech India Limited	*	200,000	2,000	200,000	2,000
Nutech Organic Chemicals Limited	*	200,000	2,000	200,000	2,000
Omtex Limited	*	50,000	500	50,000	500
Pan Asia Global Limited	*	3,100	31	3,100	31
P G Industries Limited	*	50,000	500	50,000	500
Premier Aqua Limited	*	175,000	1,750	175,000	1,750
Premier Polyfilms Limited	*	170,800	1,708	170,800	1,708
Premier Vinyl Flooring Limited	*	50	-	50	-
Presidency Shoes Limited	*	87,100	871	87,100	871
Prime Solvent Extractions Limited	*	14,400	144	14,400	144
Punjab Wireless Limited		10,500	-	10,500	-
Raghuvendra Spinnners Limited	*	30,000	300	30,000	300
Rajendra Mining Spares Limited	*	250,000	2,500	250,000	2,500
Ravi Spinning Limited	*	180,000	1,800	180,000	1,800
Sandur Laminates Limited	*	100,000	1,000	100,000	1,000
Sangam Healthcare Products Limited	*	97,700	977	97,700	977
Shoppers Investments Limited	*	50	1	50	1
Shree Karthik Papers Limited	*	95,100	951	95,100	951
SKR Chemicals Limited	*	199,800	1,998	199,800	1,998
Sonal Cosmetics Limited	*	7,500	75	7,500	75
Southern Fuels Limited	*	162,000	1,620	162,000	1,620
Sudev Industries Limited		124,900	1,249	124,900	1,249
Superior Sox Limited	*	100,000	1,000	100,000	1,000
Suppliment Foods Limited	*	20,000	200	20,000	200
Suryo Foods and Industries Limited	*	77,700	777	77,700	777
Usha Ispat Limited		23,000	230	23,000	230
Viral Filaments Limited	*	107,100	1,071	107,100	1,071
Viral Syntex Limited		115,900	1,159	115,900	1,159



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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	As at 31 March 2016		As at 31 March 2015	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Western Foods Limited	84,800	848	84,800	848
Western Orissa Sugar Limited	2,950	30	2,950	30
(b) Unquoted				
Akshay Software Technologies Limited	300,000	4,218,000	300,000	4,218,000
Associated Infotech Limited	400,000	4,000	400,000	4,000
MP Utilities (1 each)	500,000	500,000	500,000	500,000
Sovika Airline Services Limited	350,000	1,780,560	350,000	1,780,560
Teamasia Semiconductors Limited	250,000	2,500	250,000	2,500
Sub-total (A)		54,859,447		17,859,447
Quoted				
Equity shares of ₹ 10 each unless otherwise stated				
Ahlwalia Contracts India Limited (2 each)	582,964	699,557	856,367	1,027,640
Jaiprakash Associates Limited (2 each)	-	-	54,255	7,131,699
Pilani Investment Limited	1,345	134,379	2,897	289,439
Rashtriya Chemicals & Fertilizers Limited	9,000	1,026,775	17,000	1,939,464
Reliance Industries Limited	15,917	16,478,093	31,017	32,110,386
Sub-total (B)		18,338,804		42,498,628
Total (A + B)		73,198,251		60,358,075
Less: Provision for diminution in value of investments		1,906,005		13,299,204
		71,292,246		47,058,871
* Not held in the name of the Company.				
Aggregate amount of				
Book value of quoted investments		18,338,804		42,498,628
Market value of quoted investments		190,946,392		244,904,106
Book value of unquoted investments		17,859,447		17,859,447
Book value of unquoted investments in mutual funds		37,000,000		-
Net asset value of investments in mutual funds		37,205,144		-
Current investments				
(Non-trade, fully paid up)				
Investments in mutual funds - Unquoted				
(Valued at lower of net realisable value and cost)				
Taurus Ultra Short Term Bond Fund -Direct Plan -Super Institutional Growth	39,737	71,470,971	44,488	72,954,300
Taurus Liquid Fund - Direct Plan- Super Institutional Growth	494	802,988	1,015	1,536,042
Taurus Dynamic Fund -Direct Plan - Dividend	-	-	10,480	108,213
Taurus Dynamic Fund -Direct Plan - Growth	7,638	114,443	-	-
		72,388,402		74,598,555
Aggregate amount of				
Book value of unquoted investments in mutual funds		72,388,402		74,598,555
Net asset value of investments in mutual funds		74,151,230		76,694,602



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Taurus Asset Management Company Limited

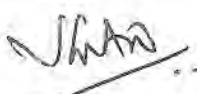





Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	Amount in ₹	
	As at 31 March 2016	As at 31 March 2015
11 Deferred taxes assets/(liabilities), (net)		
Deferred tax asset		
Provision for employee benefits	3,303,443	2,845,685
Others	173,468	33,145
	<u>3,476,911</u>	<u>2,878,830</u>
Deferred tax liability		
Timing difference on depreciation and amortisation of tangible assets	3,357,788	3,040,799
	<u>3,357,788</u>	<u>3,040,799</u>
Deferred taxes assets/(liabilities), net	<u>119,123</u>	<u>-161,969</u>

	Amount in ₹			
	31 March 2016		31 March 2015	
	Long-term	Short-term	Long-term	Short-term
12 Loans and advances				
(Unsecured, considered good)				
Security deposits	5,313,122	-	5,107,914	-
Inter corporate deposits (refer note 28)	-	145,000,000	-	50,000,000
Other loans and advances				
Prepaid expenses	997,722	3,265,206	1,225,725	3,261,787
Balance with government authorities	-	653,089	-	193,157
Receivables against sale of investments	-	6,385,713	-	-
Other advances	321,000	1,170,395	626,000	493,587
Prepaid taxes	-	5,307,593	1,997,219	-
	<u>6,631,844</u>	<u>161,781,996</u>	<u>8,956,858</u>	<u>53,948,531</u>

	Amount in ₹	
	As at 31 March 2016	As at 31 March 2015
13 Trade receivables		
(Unsecured, considered good)		
Outstanding for a period less than six months from the date they are due for payment	21,819,779	17,524,586
	<u>21,819,779</u>	<u>17,524,586</u>
14 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	20,105	21,008
Balances with banks		
- in current accounts	4,181,235	3,463,980
	<u>4,201,340</u>	<u>3,484,988</u>
15 Other current assets		
Interest accrued on		
Non-current investments	368,972	367,373
Inter-corporate deposit	1,697,178	191,095
Income tax refund	955,368	-
	<u>3,021,518</u>	<u>558,468</u>

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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

	Amount in ₹	
	For the year ended 31 March 2016	For the year ended 31 March 2015
16 Other income		
Interest income on:		
- non-current investments in bonds	1,136,379	1,134,250
- inter-corporate deposits	14,002,191	3,856,164
- income-tax refund	1,912,298	-
- others	1,869	1,793
Dividend income, non trade	2,735,068	642,743
Net gain on sale of investments	71,322,356	42,571,197
Other non operating income		
- Provision for diminution in value of long-term investments written back	11,393,200	-
- Miscellaneous income	55,241	1,625
	102,558,602	48,207,772
17 Employee benefits expense		
Salaries, wages and bonus	85,462,147	77,917,182
Contribution to gratuity	1,626,350	1,524,561
Contribution to provident and other defined contribution funds	4,457,596	3,968,488
Staff welfare expenses	1,619,555	1,731,253
	93,165,648	85,141,484
18 Finance costs		
Interest expenses		
- on vehicle loans	324,541	400,509
- others	582,644	976,427
	907,185	1,376,936
19 Other expenses		
Rent	11,612,081	10,493,405
Advertisement and business promotion	7,212,809	1,745,776
Legal and professional fees	2,362,977	2,662,627
Recruitment charges	604,353	161,102
Director's sitting fees	921,750	870,000
Electricity charges	2,155,691	2,178,184
Travelling and conveyance	5,263,887	4,184,534
Repairs and maintenance		
- Buildings	170,760	583,893
- Others	2,495,367	2,356,309
Office expenses	733,157	694,231
Outsourced professional service cost	7,773,209	9,329,990
Insurance	519,231	312,020
Printing and stationery	542,954	539,550
Subscription and membership	8,329,458	7,745,059
Communication	2,571,187	2,115,003
Loss on disposal of assets	48,660	184,300
Brokerage on rented premises	70,000	74,500
Rates and taxes	209,834	298,443
Mutual fund expenses (refer note 27)	7,100,488	5,344,737
Provision for diminution in value of long-term investments	-	632,085
Miscellaneous expenses	14,437	44,216
	60,712,290	52,549,964
20 Earning per equity share - basic		
Net profit for the year	129,790,272	74,752,797
Weighted average number of shares (no.)	14,737,500	14,737,500
Opening number of equity shares (no.)	15,050,000	15,050,000
Closing number of equity shares (no.)	15,050,000	15,050,000
Nominal value of shares	10	10
Earnings per equity share - basic	8.81	5.07



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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

21 Related party transactions

Related party disclosures, as notified by Accounting Standard 18 are given below:

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

Key management personnel	Mr R. K. Gupta (Managing Director)
Investing parties of reporting enterprise	IIB Portfolio Limited RRB Securities Limited IIB Stockholdings Limited
Enterprises over which Directors exercise significant influence	IIB Securities Limited

	Amount in ₹	
	For the year ended	For the year ended
	31 March 2016	31 March 2015
(ii) Transactions with related parties during the year		
<i>Salary</i>		
Mr R. K. Gupta	4,549,200	4,249,200
<i>Depository Charges</i>		
IIB Securities Limited	10,945	7,534
(iii) Closing balances with related parties as at the year end		
<i>Share capital including share premium</i>		
IIB Portfolio Limited	100,250,000	100,250,000
RRB Securities Limited	67,379,400	67,379,400
IIB Stockholdings Limited	45,370,000	45,370,000

22 No deferred tax asset has been recognised for timing difference on account of accumulated losses and brought forward depreciation in view of the uncertainty as to its realization in the foreseeable future.

	Amount in ₹	
	For the year ended	For the year ended
	31 March 2016	31 March 2015
23 Expenditure in foreign currency		
Subscription and membership	-	380,240
	-	380,240
24 Payments to auditors (exclusive of service tax)		
As auditor		
Statutory audit	500,000	500,000
for other services	325,000	-
Towards reimbursement of expenses	11,500	10,350
	836,500	510,350

25 Included in the investments are securities amounting to ₹ 45,771 (previous year ₹ 45,771) 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.

26 The Company has leased certain office premises under cancellable operating lease arrangements. The rent expense under these agreements is ₹ 11,431,781 (previous year ₹ 10,313,405).

27 Mutual fund expenses

Mutual fund expenses, inter alia, include;

- ₹ 2,543,366 (previous year ₹ 2,584,813) 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.
- ₹ 1,250,158 (previous year ₹ 1,894,046) being expenses towards upfront distributors/agent's commission fees paid on mobilization of funds in mutual fund schemes. These expenses were borne by the Company as per SEBI clarification vide email dated 29 March 2010 and 30 March 2010 and subsequent email dated 18 October 2010 on compliance with SEBI Guidelines on "No upfront commission from scheme" whereby exit load or past load balance could not be utilized by the scheme(s) for paying upfront distributors/agent's commission referred to in Regulation 52(4) (b) (i) of SEBI (Mutual Fund) Regulations, 1996, effective 1 April 2010.



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Taurus Asset Management Company Limited

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2016

- 28 The Company has given inter corporate loans to Gemini Portfolios Private Limited Rs 75,000,000 (Previous year Rs 50,000,000) and Rs 70,000,000 to Venus Portfolios Private Limited (previous year nil), for business purposes.
- 29 As per SEBI (Mutual Funds) (Amendment) Regulations, 2014 issued vide SEBI Gazette Notification dated 6 May 2014, the Company is required to enhance its networth to ₹ 500,000,000 within three years of the aforementioned notification. The management expects to be in compliance with the said notification within the stipulated timeframe.
- 30 Information as required to be furnished as per section 22 of the Micro, and small Enterprises Development (MSMED) Act, 2006 for the year ended 31 March 2016 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	<u>For the year ended 31 March 2016 Rs.</u>	<u>For the year ended 31 March 2015 Rs.</u>
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	-	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The total dues of micro and small enterprises which were outstanding for more than stipulated period are Rs. nil (Previous year Rs. nil) as on balance sheet date.

- 31 Previous year figures have been regrouped/rearranged wherever considered necessary to make them comparable with those of the

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker Chandiook & Co)
Chartered Accountants

Rajni Mundy

per Rajni Munda
Partner



Waqar Naqvi
Waqar Naqvi
Chief Executive Officer

For and on behalf of the Board of Directors

J.P. Kundra
J.P. Kundra
Chairman
DIN: 00004228

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

Amarjeet Singh
Amarjeet Singh
Chief Financial Officer

Anu Suri
Anu Suri
Company Secretary

Place : New Delhi
Date : 30 August 2016

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