

Independent Auditor's Report

To the Members of Taurus Asset Management Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Taurus Asset Management Company Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2018, 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

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 prescribed 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 for safeguarding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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 there under.

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 these financial statements are free from material misstatement.

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

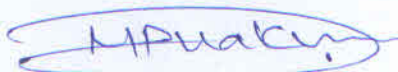
As required by Section 143(3) of the Act, we report that:

- 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 appears from our examination of those books and proper returns adequate for the purposes of the audit have been received from the branches not visited by us;
- c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account and returns received from the branches;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 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 litigation which would impact its financial position in its financial statements;
 - 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.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm's Registration No.: 000038N



M.P. Thakur
Partner
Membership No.: 052473

Place: New Delhi
Date: 14-05-2018



Annexure "A" to the Independent Auditor's Report

(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, 2018)

- (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 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) 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 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) Accordingly 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 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) 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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm's Registration No.: 000038N



M.P. Thakur
Partner
Membership No.: 052473
Place: New Delhi
Date: 14-05-2018



Annexure "B" to the Independent Auditor's Report

(Referred to in Clause (f) of Paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of Taurus Asset Management Company Limited ("the Company") as of March, 31, 2018 in conjunction with our audit of the 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 Act.

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 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 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 internal financial controls over financial reporting was 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, 2018, 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
Firm's Registration No.: 000038N



M.P. Thakur
Partner
Membership No.: 052473
Place: New Delhi
Date: 14-05-2018




	Notes	As at 31 March 2018	Amount in ₹ As at 31 March 2017
Equity and liabilities			
Shareholders' funds			
Share capital	3	169,312,360	169,312,360
Reserves and surplus	4	348,553,362	332,275,388
		<u>517,865,722</u>	<u>501,587,748</u>
Non-current liabilities			
Long-term borrowings	5	-	278,680
Long-term provisions	6	9,251,527	10,468,840
		<u>9,251,527</u>	<u>10,747,520</u>
Current liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and			
- total outstanding dues of creditors other than micro enterprises and small enterprises		7,088,419	5,930,600
Other current liabilities	7	7,404,632	7,288,320
Short-term provisions	6	2,124,033	1,103,553
		<u>16,617,084</u>	<u>14,322,473</u>
TOTAL		<u>543,734,333</u>	<u>526,657,741</u>
Assets			
Non-current assets			
Fixed assets	8		
Property, plant and equipments		19,403,808	21,343,709
Intangible assets		389,607	521,334
Non-current investments	9	53,084,111	53,128,595
Deferred tax assets (net)	10	552,672	315,416
Long-term loans and advances	11	5,908,654	6,299,321
		<u>79,338,852</u>	<u>81,608,375</u>
Current assets			
Current investments	12	89,210,217	121,069,573
Trade receivables	13	9,357,346	13,190,942
Cash and bank balances	14	44,355,836	26,556,567
Short-term loans and advances	11	316,524,417	280,066,298
Other current assets	15	4,947,665	4,165,986
		<u>464,395,481</u>	<u>445,049,366</u>
TOTAL		<u>543,734,333</u>	<u>526,657,741</u>

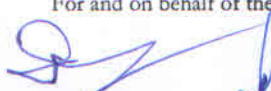
Significant Accounting Policies

Notes 1 to 35 are an integral part of these financial statements.

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


M.P. Thakur
Partner
Membership No. 052473

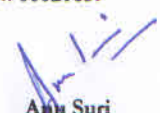
For and on behalf of the Board of Directors


J.P. Kundra
Chairman
DIN: 00004228


R.K. Gupta
Managing Director
DIN: 00021659


Waqar Naqvi
Chief Executive Officer


Amarjeet Singh
Chief Financial Officer


Anu Suri
Company Secretary
Membership No. 27744

Place : New Delhi
Date : 14 May 2018



Taurus Asset Management Company Limited
(CIN: U67190MH1993PLC073154)
Statement of Profit and Loss for the year ended 31 March 2018

		Amount in ₹	
	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from management fee		106,474,095	123,729,123
Other income	16	60,227,787	116,762,351
		<u>166,701,882</u>	<u>240,491,474</u>
Expenses			
Employee benefits expense	17	77,094,296	89,310,848
Finance costs	18	75,478	298,769
Depreciation and amortisation expense	8	2,145,369	2,171,691
Other expenses	19	68,060,721	74,541,087
		<u>147,375,864</u>	<u>166,322,395</u>
Profit before tax		19,326,018	74,169,079
Tax expense		3,285,300	15,738,630
Current year		(237,256)	(196,293)
Deferred tax credit			
		<u>16,277,974</u>	<u>58,626,742</u>
Profit for the year			
Earnings per share - (nominal value of share ₹ 10 each) - Basic and Diluted	20	0.96	3.95


Significant Accounting Policies 2
Notes 1 to 35 are an integral part of these 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


J.P. Kundra
Chairman
DIN: 00004228

R.K. Gupta
Managing Director
DIN: 00021659

Waqar Naqvi
Chief Executive Officer

Amarjeet Singh
Chief Financial Officer

Anu Suri
Company Secretary
Membership No. 27744

Place : New Delhi
Date : 14 May 2018



Notes	Amount in ₹	
	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities :		
Net profit before tax	19,326,018	74,169,079
Adjustment for:		
Depreciation and amortisation expense	2,145,369	2,171,691
Interest expense on vehicle loans	75,478	200,104
Loss on disposal of fixed assets	54,078	21,819
Provision for diminution in value of long-term investments written back	(4,555,792)	(1,906,005)
Diminution in value of current investments	-	4,683,751
Interest income	(39,195,965)	(25,862,751)
Dividend income	(210,000)	(968,625)
Miscellaneous Income	(2,596,472)	-
Net gain on sale of investments	(13,669,026)	(88,022,920)
Operating profit/(loss) before working capital changes	(38,626,311)	(35,513,857)
Adjustment for changes in working capital :		
- Movement in trade receivables	3,833,597	8,628,836
- Movement in loans and advances	(24,890,440)	(123,259,372)
- Movement in trade payables	1,157,819	2,122,750
- Movement in other current liabilities	928,077	(6,961,551)
- Movement in provisions	794,727	1,134,181
Gross cash flow (used in) operations	(56,802,531)	(153,849,013)
Less: income-tax paid	(15,453,875)	(12,422,462)
Net cash flow(used in) operating activities	(72,256,406)	(166,271,475)
B. Cash flow from investing activities:		
Purchase of fixed assets	(200,801)	(1,576,722)
Sale proceeds from fixed assets	72,982	27,467
Sale proceeds from investments	127,128,660	366,077,652
Sale proceeds from fixed deposits	9,900,000	-
Amount received against recovery of BILT	2,596,472	-
Purchase of investments	(77,000,000)	(311,350,000)
Investment in fixed deposits having original maturity of more than 12 months	(29,700,000)	(19,800,000)
Interest received	38,414,286	23,762,916
Dividend received	210,000	968,625
Net cash flow generated from investing activities	71,421,599	58,109,938
C. Cash flow from financing activities:		
Call money received on equity shares	-	3,125,000
Proceeds from issue of shares	-	109,080,508
Repayment of long-term borrowings	(1,083,399)	(1,279,637)
Interest paid on borrowings	(82,525)	(209,107)
Net cash flow generated from /(used in) financing activities	(1,165,924)	110,716,764
Net increase in cash and cash equivalents (A+B+C)	(2,000,731)	2,555,227
Cash and cash equivalents at the beginning of the year	6,756,567	4,201,340
Cash and cash equivalents at the end of the year	4,755,836	6,756,567
Cash and cash equivalents comprises of:		
Cash on hand	11,024	18,451
Balances with banks	4,744,812	6,738,116
- in current accounts	4,755,836	6,756,567

Significant Accounting Policies

Notes 1 to 35 are an integral part of these financial statements.

As per our report of even date attached

For Thakur, Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Regn. No. 000038N

M.P. Thakur

Partner

Membership No. 052473

Waqar Naqvi
Chief Executive Officer

For and on behalf of the Board of Directors

J.P. Kundra
Chairman
DIN: 00004228

R.K. Gupta
Managing Director
DIN: 00021659

Amarjeet Singh
Chief Financial Officer

Amr Suri
Company Secretary
Membership No.27744

Place : New Delhi
Date : 14 May 2018



Taurus Asset Management Company Limited
(CIN: U67190MH1993PLC073154)

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2018

1. Company Overview

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 Registered Office was formerly located at 305 Regent Chambers, 208 Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021 till 31st March 2018. The Company's principal activity is rendering Asset Management Service (AMC). The AMC has been appointed as the Investment Manager of Taurus Mutual Fund by the Trustees in terms of SEBI (Mutual Funds) Regulations, 1996.

2. Significant accounting policies

a) 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.

b) 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.

c) Fixed assets

Tangible Assets

Fixed assets are stated at cost 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.

Intangible Assets

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.

d) 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

e) 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



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Taurus Asset Management Company Limited
(CIN: U67190MH1993PLC073154)

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2018

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.

f) 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 taking into account the amount outstanding and the applicable rates. Interest on tax refund is accounted for on receipt basis.
- 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 weighted average cost basis.

g) 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.

h) Employee benefits

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.



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Taurus Asset Management Company Limited
(CIN: U67190MH1993PLC073154)

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2018

i) Scheme Expenses

Expenses incurred on behalf of the schemes of Taurus Mutual Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996 are recognized in the statement of profit and loss under the head Mutual fund expenses.

j) 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.

k) 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. The Company has not issued any potential equity shares, and accordingly the Basic Earnings and Diluted Earnings are the same.

l) 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.

m) 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



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Taurus Asset Management Company Limited
(CIN: U67190MH1993PLC073154)

Summary of significant accounting policies and other explanatory information to the financial statement for the year ended 31 March 2018

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.

n) 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.

o) 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.

p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profits before extraordinary items and taxes adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future receipts or payments and items 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 information available.



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	Amount in ₹			
	As at 31 March 2018		As at 31 March 2017	
	Number	Amounts	Number	Amounts
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 per share	17,000,000	170,000,000	17,000,000	170,000,000
Redeemable preference shares of ₹ 10 per share	3,000,000	30,000,000	3,000,000	30,000,000
	<u>20,000,000</u>	<u>200,000,000</u>	<u>20,000,000</u>	<u>200,000,000</u>
Issued				
Equity shares of ₹ 10 per share	16,941,252	169,412,520	16,941,252	169,412,520
Subscribed and fully paid up				
Equity shares of ₹ 10 per share	16,931,236	169,312,360	16,931,236	169,312,360
	<u>16,931,236</u>	<u>169,312,360</u>	<u>16,931,236</u>	<u>169,312,360</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	16,931,236	169,312,360	15,050,000	147,375,000
Add : Shares issued during the year	-	-	1,881,236	18,812,360
Add : Balance amount received pertaining to partly paid up shares, now fully paid up	-	-	-	3,125,000
Balance at the end of the year	<u>16,931,236</u>	<u>169,312,360</u>	<u>16,931,236</u>	<u>169,312,360</u>

b) Shares held by holding/ultimate holding Company

	Number of shares	% holding	Number of shares	% holding
HB Portfolio Ltd*	11,872,118	70.12%	-	-

* with effect from 21.03.2018 refer note no.(c) below

c) 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	11,872,118	70.12%	8,465,618	50.00%
RRB Securities Ltd	5,059,058	29.88%	5,059,058	29.88%
HB Stockholdings Ltd	-	-	3,406,500	20.12%

* 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.

** 34,06,500 Equity Shares of the Company held by HB Stockholdings Ltd have been approved for transmission by the Share Transfer Committee of the Board of Directors on 21st March 2018 and consequently transferred such shares to HB Portfolio Ltd, pursuant to the approved Composite Scheme of Arrangement amongst HB Stockholding Ltd, HB Portfolio Ltd and HB Estate Developers Limited and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956, sanctioned by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh.

d) 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 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.



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	Amount in ₹	
	As at 31 March 2018	As at 31 March 2017
4 Reserves and surplus		
Amalgamation reserve		
Balance at the beginning/end of the year	2,100,000	2,100,000
Securities premium reserve		
Balance at the beginning of the year	155,893,148	65,625,000
Add: Additions during the year	-	90,268,148
Balance at the end of the year	155,893,148	155,893,148
Surplus in the statement of profit and loss		
Balance at the beginning of the year	174,282,240	115,655,498
Add : Profit for the year	16,277,974	58,626,742
Balance at the end of the year	190,560,214	174,282,240
	348,553,362	332,275,388
5 Long-term borrowings		
Secured		
Vehicle loans from banks	-	278,680
	-	278,680

Loans from ICICI Bank Ltd carrying interest ranging from 9.83 percent to 10.20 percent, repayable in 60 equal monthly instalments and are due for repayment by July 2018. These loans are secured by hypothecation of the respective vehicles.

	Amount in ₹			
	As at 31 March 2018		As at 31 March 2017	
	Long-term	Short-term	Long-term	Short-term
6 Provisions				
Provisions for employee benefits				
- Gratuity	4,451,948	2,080,123	5,087,654	61,625
- Compensated absences	4,799,579	43,910	5,381,186	50,368
Provision for income-tax *	-	-	-	991,560
	9,251,527	2,124,033	10,468,840	1,103,553

* Net of prepaid taxes of ₹ Nil (previous year ₹ 14,845,736).

	Amount in ₹	
	As at 31 March 2018	As at 31 March 2017
7 Other current liabilities		
Current maturities of long-term borrowings	278,680	1,083,399
Interest accrued but not due on long-term borrowings	1,787	8,834
Statutory dues	3,905,143	3,328,018
Employee related payables	758,998	997,147
Other liabilities	2,460,024	1,870,922
	7,404,632	7,288,320



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Taurus Asset Management Company Limited
Notes to Financial Statements for the year ended 31st March 2018

8 Fixed assets	Property, plant and equipments						Intangible assets		
	Buildings	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total	Computer software	Total
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
Additions	-	1,176,803	36,500	57,989	162,632	-	1,433,924	142,798	142,798
Disposals	-	(198,629)	-	-	(85,479)	-	(284,108)	-	-
Balance as at 31 March 2017	21,853,270	8,331,650	1,507,816	6,961,819	3,065,453	1,634,801	43,354,809	4,130,500	4,130,500
Additions	-	81,297	-	-	119,504	-	200,801	-	-
Disposals	-	(1,343,523)	-	-	(253,073)	-	(1,596,596)	(11,751)	(11,751)
Balance as at 31 March 2018	21,853,270	7,069,424	1,507,816	6,961,819	2,931,884	1,634,801	41,959,014	4,118,749	4,118,749
Accumulated depreciation and amortisation									
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
Charge for the year	341,780	643,346	87,111	836,481	144,675	-	2,053,393	118,298	118,298
Reversal on disposal of assets	-	(190,351)	-	-	(44,472)	-	(234,823)	-	-
Balance as at 31 March 2017	7,184,825	6,814,185	1,161,415	2,752,024	2,545,591	1,553,060	22,011,100	3,609,166	3,609,166
Charge for the year	341,780	638,365	89,458	840,704	113,277	-	2,023,584	121,785	121,785
Reversal on disposal of assets	-	(1,276,925)	-	-	(202,553)	-	(1,479,478)	(1,809)	(1,809)
Balance as at 31 March 2018	7,526,605	6,175,626	1,250,873	3,592,728	2,456,315	1,553,060	22,555,206	3,729,142	3,729,142
Net block									
Balance as at 31 March 2017	14,668,445	1,517,465	346,401	4,209,795	519,862	81,741	21,343,709	521,334	521,334
Balance as at 31 March 2018	14,326,665	893,798	256,943	3,369,091	475,569	81,741	19,403,808	389,607	389,607

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	As at 31 March 2018		As at 31 March 2017	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
9 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
Sub-total (A)		11,187,500		11,187,500
Investments in mutual funds				
Unquoted				
Units of Face Value ₹ 10 each unless stated otherwise				
Taurus Starshare (Multi Cap) Fund - Direct Plan - Growth	55,078.211	5,000,000	55,078.211	5,000,000
Taurus Discovery (Mid Cap) Fund - Direct Plan - Growth	76,033.058	2,300,000	76,033.058	2,300,000
Taurus Large Cap Equity Fund - Direct Plan - Growth	35,093.316	2,200,000	35,093.316	2,200,000
Taurus Infrastructure Fund - Direct Plan - Growth	38,335.159	700,000	38,335.159	700,000
Taurus Tax Shield - Direct Plan - Growth	93,075.205	5,000,000	93,075.205	5,000,000
Taurus Ethical Fund - Direct Plan - Growth	45,971.449	1,900,000	45,971.449	1,900,000
Taurus Nifty Index Fund - Direct Plan - Growth	3,224.018	50,000	3,224.018	50,000
Taurus Banking and Financial Services Fund - Direct Plan - Growth	42,444.822	750,000	42,444.822	750,000
Taurus Short Term Income Fund - Direct Plan - Growth (₹ 1,000 each)	2,019.438	5,000,000	2,019.438	5,000,000
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth (₹ 1,000 each)	2,942.190	5,000,000	2,942.190	5,000,000
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (₹ 1,000 each)	3,280.235	5,000,000	3,280.235	5,000,000
Taurus Dynamic Income Fund - Direct Plan - Growth	142,721.557	2,000,000	142,721.557	2,000,000
Sub-total (B)		34,900,000		34,900,000
Investments in equity instruments				
Equity shares Face Value of ₹ 10 each unless stated otherwise				
(a) Listed but not quoted				
ADS Diagnostic Limited	25,000	110,825	25,000	110,825
Aditya Aquaculture Limited *	350,100	3,501	350,100	3,501
Agr -Marine Exports Limited *	73,300	733	73,300	733
Asian Vegpro Industries Limited *	100,000	1,000	100,000	1,000



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		As at 31 March 2018		As at 31 March 2017	
		No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Auroma 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
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 Polyfilm 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 Spinners Limited	*	30,000	300	30,000	300



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		As at 31 March 2018		As at 31 March 2017	
		No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
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 Fuel 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
Wellwin Industries Limited		189,983	-	-	-
Western Foods Limited	*	84,800	848	84,800	848
Western Orissa Sugar Limited	*	2,950	30	2,950	30
Sub-total (C)			<u>166,886</u>		<u>166,886</u>

* Not held in the name of the Company (refer note 28).

(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
MF Utilities B12	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 (D)		<u>6,505,060</u>		<u>6,505,060</u>
Total E = (A + B +C + D)		<u>52,759,447</u>		<u>52,759,447</u>



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	As at 31 March 2018		As at 31 March 2017	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Quoted				
Ahluwalia Contracts (India) Limited (₹ 2 each)	270,553	324,664	307,623	369,148
Sub-total (F)		<u>324,664</u>		<u>369,148</u>
Total (E + F)		53,084,111		53,128,595
Less: Provision for diminution in value of investments		-		-
		<u>53,084,111</u>		<u>53,128,595</u>
Aggregate amount of				
Book value of quoted investments (F)		324,664		369,148
Market value of quoted investments		102,810,140		95,886,089
Book value of unquoted investments (A+ C + D)		17,859,446		17,859,446
Book value of unquoted investments in mutual funds (B)		34,900,000		34,900,000
Net asset value of investments in mutual funds		43,113,000		38,526,235



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	Amount in ₹	
	As at 31 March 2018	As at 31 March 2017
10 Deferred taxes assets (net)		
Deferred tax assets comprises of:		
Provision for employee benefits	3,134,250	3,498,341
Others	76,545	149,655
	<u>3,210,795</u>	<u>3,647,996</u>
Deferred tax liability comprises of:		
Timing difference on depreciation and amortisation of tangible assets	2,658,123	3,332,580
	<u>2,658,123</u>	<u>3,332,580</u>
Deferred taxes assets (net)	<u>552,672</u>	<u>315,416</u>

11 Loans and advances

	Amount in ₹			
	As at 31 March 2018		As at 31 March 2017	
	Long-term	Short-term	Long-term	Short-term
<i>(Unsecured, considered good)</i>				
Security deposits	4,629,142	-	5,218,235	-
Inter corporate deposits (refer note 31)	-	300,000,000	-	270,000,000
Other loans and advances				
Prepaid expenses	869,512	3,063,168	871,086	2,741,001
Balance with government authorities	-	1,427,185	-	930,127
Receivables against sale of investments	-	-	-	6,081,707
Other advances	410,000	857,051	210,000	313,463
Prepaid taxes*	-	11,177,013	-	-
	<u>5,908,654</u>	<u>316,524,417</u>	<u>6,299,321</u>	<u>280,066,298</u>

* Net of provision for income tax of ₹ 19,122,595 (Previous Year Nil).



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	As at 31 March 2018		As at 31 March 2017	
	No. of shares/units	Amount in ₹	No of shares/unit	Amount in ₹
12 Current investments				
(Non-trade investments)				
Investments in mutual funds - unquoted				
(valued at lower of net realisable value and cost)				
Units Face Value of ₹ 1000 each unless stated otherwise				
Reliance Liquid Fund - Treasury Plan - Direct Plan - Growth Option	17,318	69,956,102	20,625	81,519,658
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth	2,624	5,039,672	20,321	35,611,146
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	8,127	14,100,000	2,344	3,831,112
Taurus Dynamic Fund Fund - Direct Plan - Growth (₹ 10 each)	7,638	114,443	7,638	107,657
		<u>89,210,217</u>		<u>121,069,573</u>

Aggregate amount of

Book value of unquoted investments in mutual funds
 Net asset value of investments in mutual funds

89,338,175
 92,935,553

125,753,324
 121,378,294



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	Amount in ₹	
	As at 31 March 2018	As at 31 March 2017
13 Trade receivables		
<i>(Unsecured and considered good)</i>		
Outstanding for a period less than six months from the date they are due for payment	9,357,346	13,190,942
	<u>9,357,346</u>	<u>13,190,942</u>
14 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	11,024	18,451
Balances with banks - in current accounts	4,744,812	6,738,116
Other bank balances		
- Deposits with original maturity of more than twelve months*	39,600,000	19,800,000
	<u>44,355,836</u>	<u>26,556,567</u>
15 Other current assets		
Interest accrued on		
Non-current investments	367,374	367,374
Fixed deposits with bank/inter corporate deposits	4,580,291	3,798,612
	<u>4,947,665</u>	<u>4,165,986</u>

* having remaining maturity of less than 12 months.



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	Amount in ₹	
	For the year ended 31 March 2018	For the year ended 31 March 2017
16 Other income		
Interest income on:		
- non-current investments in bonds	1,134,352	1,132,649
- inter-corporate deposits	35,940,813	23,861,636
- fixed deposits with banks	2,118,929	866,521
- others	1,871	1,945
Dividend income on equity instruments	210,000	968,625
Net gain on sale of investments	13,669,026	88,022,920
Other non-operating income		
- Provision for diminution in value of long-term investments written back	4,555,792	1,906,005
- Miscellaneous income (refer note 25)	2,597,004	2,050
	<u>60,227,787</u>	<u>116,762,351</u>
17 Employee benefits expense		
Salaries, wages and bonus	68,495,528	80,728,853
Contribution to gratuity	2,701,447	1,770,051
Contribution to provident and other defined contribution funds	4,735,368	5,403,826
Staff welfare expenses	1,161,953	1,408,118
	<u>77,094,296</u>	<u>89,310,848</u>
18 Finance costs		
Interest expenses		
- on vehicle loans	75,478	200,104
- others	-	98,665
	<u>75,478</u>	<u>298,769</u>



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	Amount in ₹	
	For the year ended 31 March 2018	For the year ended 31 March 2017
19 Other expenses		
Rent	11,764,904	12,240,453
Advertisement and business promotion	5,159,548	5,598,160
Legal and professional fees (refer note 27)	7,571,169	4,131,788
Recruitment charges	300,000	22,202
Director's sitting fees	1,530,000	1,430,000
Electricity charges	2,020,668	2,200,121
Travelling and conveyance	3,195,911	5,099,708
Repairs and maintenance		
- Buildings	154,524	167,451
- Others	2,211,940	2,318,232
Office expenses	980,789	1,018,586
Outsourced professional service costs	4,032,477	5,805,666
Insurance	645,020	606,060
Printing and stationery	376,329	568,873
Subscription and membership	6,702,939	8,854,807
Communication	2,143,684	2,646,901
Loss on disposal of assets	54,078	21,819
Rates and taxes	444,376	430,648
Mutual fund expenses (refer note 30)	17,846,717	15,832,016
Diminution in value of current investments	-	4,683,751
Corporate social responsibility expenditure	800,000	750,000
Sundry debit balances written off	122,310	-
Miscellaneous expenses	3,338	113,845
	68,060,721	74,541,087

20 Earning per equity share - basic/diluted

Net profit for the year	16,277,974	58,626,742
Weighted average number of shares (no.)	16,931,236	14,857,619
Opening number of equity shares (no.)	16,931,236	15,050,000
Closing number of equity shares (no.)	16,931,236	16,931,236
Nominal value of shares (₹)	10.00	10.00
Earnings per equity share - basic/diluted (₹)	0.96	3.95



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21 Related party transactions

Related party disclosures, as required by the notified Accounting Standard 18 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 Amarjeet Singh (Chief Financial Officer) Mrs. Anu Suri (Company Secretary)
b) Enterprises over which Directors exercise significant influence.	HB Securities Limited
c) Directors	Mr J. P. Kundra Mr. M. G. Gupta Mr. Lalit Bhasin Mr. Harbanslal Maharaj Jai Singh
d) Investing parties of reporting enterprise	HB Portfolio Limited RRB Securities Limited HB Stockholdings Limited

Amount in ₹	
For the year ended 31 March 2018	For the year ended 31 March 2017

(ii) Transactions with related parties during the year*Remuneration to KMP*

Mr. R. K. Gupta (Managing Director)	4,589,140	4,889,140
Mr Waqar Naqvi (Chief Executive Officer)	15,656,500	18,156,500
Mr Amarjeet Singh (Chief Financial Officer)	3,706,560	3,790,600
Mrs. Anu Suri (Company Secretary)	986,990	917,562

Depository charges paid to HB Securities Ltd

2,948	13,407
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Sitting Fees paid (refer c) above)

1,530,000	1,430,000
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Amount received against right issue including share premium

HB Portfolio Limited	-	62,352,754
RRB Securities Limited	-	29,792,254
HB Stockholdings Limited	-	20,060,500

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

Depository charges payable to HB Securities Limited	257	1,899
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22 In the opinion of the Management, there are no separate reportable segment as per Accounting Standard Segment Reporting (Accounting Standard-17)

23 Disclosure Pursuant to Accounting Standard -15

Defined Contribution Plan

Amount recognized as expense for defined contribution plans are as under:

Particulars	Current year	Previous year	Amount in ₹
			Head under which shown in Profit & Loss Account
Contribution to Provident Fund	3,666,484	4,234,411	Contribution to provident and other defined contribution funds
Contribution to National Pension Scheme	791,333	824,032	Contribution to provident and other defined contribution funds
Contribution to ESIC	73,385	36,480	Contribution to provident and other defined contribution funds



Defined Benefit Plan

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	(Unfunded)		(Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of Obligations as at beginning of the year (A)	5,749,517	5,290,007	5,431,554	4,809,802
Interest Cost (B)	431,214	396,751	407,366	360,736
Past Service Cost (C)	1,778,062	-	-	-
Current Service Cost (D)	814,232	805,248	977,084	1,043,254
Benefits paid (E)	(1,318,655)	(1,356,287)	(680,250)	(610,322)
Actuarial loss (gain) on Obligation (F)	(274,042)	613,798	(1,292,265)	(171,916)
Present value of Obligations as at end of the year (A+B+C+D+E+F)	7,180,328	5,749,517	4,843,489	5,431,554

The amounts recognized in the Balance Sheet and Profit & Loss Account are as follows:

Amount in ₹

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of Obligations (A)	7180328	5749517	4843489	5431554
Estimated Fair value of Plan Assets (B)	648257	600238	-	-
Net Liability (Asset) C=A-B	6532071	5149279	4843489	5431554
Amounts in the Balance Sheet				
Liabilities (Asset)	6532071	5149279	4843489	5431554
Amount charged to Profit & Loss Account				
Current Service Cost	814232	805248	977084	1043254
Interest Cost	431214	396751	407366	360736
Expected Return on Plan Asset (partly funded)	(48,019)	(45,746)	-	-
Past Service Cost	1778062	-	-	-
Actuarial (Gain)/Loss	(274042)	613798	(1292265)	(171916)
Expense recognized in statement of Profit & Loss	2701447	1770051	92185	1232074
Head under which shown in the Profit & Loss Account	Contribution to Gratuity		Salaries, wages & bonus	

Following are the Principal Actuarial Assumptions used as at the Balance Sheet Date

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.75%	7.50%	7.75%	7.50%
Expected Rate of Return on Plan Assets	0.00%	0.00%	0.00%	0.00%
Salary Escalation Rate	5.25%	5.25%	5.25%	5.25%

A reconciliation of opening and closing Balances of the Fair Value of Plan Assets:

Amount in ₹

Particulars	Gratuity (Funded)	
	Current Year	Previous Year
Opening Fair Value of Plan Assets	600238	554492
i) Expected Return on Plan Assets	48019	45746
ii) Actuarial Gains / (Losses)	-	-
iii) Contribution by the Employer	-	-
iv) Benefits Paid	-	-
Closing Fair Value of Plan Assets	648257	600238



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- 24 No deferred tax asset has been recognized 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.
- 25 As stated in Note No. 17, Miscellaneous income includes ₹ 25,96,472/- received from Taurus Mutual Fund towards Company's investment in the Debt schemes of TMF. 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 miscellaneous income represents the amount received from Taurus Mutual Fund on recovery made from AHL during financial year 2017-18.

Details of amount received:

Scheme	Amount in ₹		
	Long-Term Investments	Current Investments	Total
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth	252665	1745079	1997744
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	150966	107856	258822
Taurus Dynamic Income Fund - Direct Plan - Growth	98118	5251	103369
Taurus Short Term Income Fund - Direct Plan - Growth	236537	-	236537
Total	738286	1858186	2596472

26 Expenditure in foreign currency

Particulars	For the year 31 March 2018		For the year 31 March 2017	
	Amount in ₹	UAE Dirham	Amount in ₹	Foreign Currency
Earnings	Nil	Nil	Nil	Nil
Outgo:				
Brokerage Expense	43,093	2,462	Nil	Nil

27 Payments to auditors (exclusive of GST)

Particulars	Amount in ₹	
	For the year 31 March 2018	For the year 31 March 2017
As auditors		
Statutory audit	700,000	700,000
for other services	40,000	40,000
Towards reimbursement of expenses	24,350	16,070
Total	764,350	756,070

- 28 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.
- 29 The Company has taken certain office premises under cancellable operating lease arrangements. The rent expense under these agreements is ₹ 11,442,407 (previous year ₹ 12,240,453). These are cancellable leases entered for a period of 11 months to 3 years. There is no escalation clause provided within the lock in period in these contracts.

30 Mutual fund expenses

Mutual fund expenses, inter alia, include;

- a) ₹ 753,684 (previous year ₹ 863,403) 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) ₹ 522,391 (previous year ₹ 736,022) 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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Notes to Financial Statements for the year ended 31st March 2018

- c) Expenses related to schemes of Taurus Mutual fund other than commission expenses, fund marketing expenses, bank charges, contribution to investor education fund and trusteeship fees have been borne by the Company with effect from 1 October 2016.
- 31 The Company has given inter corporate loans to Gemini Portfolios Private Limited ₹ 150,000,000 (previous year ₹ 150,000,000) and ₹ 150,000,000 to Venus Portfolios Private Limited (previous year ₹ 120,000,000) for business purposes.
- 32 As identified, there were no outstanding dues during the accounting year towards the enterprises as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. further, the details of amounts outstanding to Micro, Small & Medium Enterprises based on information available with the Company is as under:

Particulars	Amount in ₹	
	As at 31 March 2018	As at 31 March 2017
Principal amount due and remaining unpaid	Nil	Nil
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
Total	Nil	Nil

- 33 Information in respect of Corporate social Responsibility Expenditure required to be spent by the company:

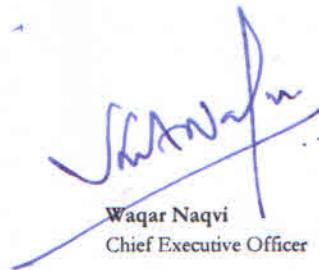
Particulars	Amount in ₹	
	For the year 31 March 2018	For the year 31 March 2017
a) Gross amount required to be spent by the company	795,095	746,113
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	800,000	750,000
c) Amount payable at the Year End	-	-

- 34 Contingent Liabilities & Commitments (to the extent not provided for) as on 31st March 2018 : Nil (Previous Year: Nil)
- 35 Previous year figures have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

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




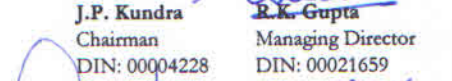
M.P. Thakur
Partner
Membership No. 052473



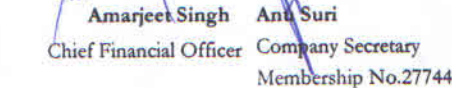
Waqar Naqvi
Chief Executive Officer

For and on behalf of the Board of Directors


J.P. Kundra
Chairman
DIN: 00004228


R.K. Gupta
Managing Director
DIN: 00021659


Amarjeet Singh
Chief Financial Officer


Anil Suri
Company Secretary
Membership No.27744

Place : New Delhi
Date : 14 May 2018

