

INDEPENDENT AUDITOR'S REPORT

To the Members of Af-taab Investment Company Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of Af-taab Investment Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Board Report as per section 134 of the Act, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Af-taab Investment Company Limited

Page 2 of 9

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



Af-taab Investment Company Limited

Page 3 of 9

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The transition date opening balance sheet as at April 01, 2017 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 dated 19th April, 2017, expressed an unmodified opinion on these financial statement, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

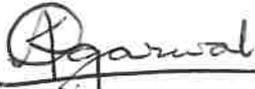


Af-taab Investment Company Limited

Page 4 of 9

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 27 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Abhishek Agarwal
Partner
Membership Number: 112773



Place of Signature: Mumbai
Date: May 29, 2019

Af-taab Investment Company Limited

Page 5 of 9

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) As at March 31, 2019, the Company does not have any property, plant and equipment and accordingly, the requirements under paragraph 3 (i)(a), (i)(b) and (i)(c) are not applicable.
- (ii) The Company's business does not involve inventories and accordingly, the requirements under the paragraph 3(ii) are not applicable to the Company.
- (iii)
 - a. The Company has granted loans to two companies covered in the register maintained under section 189 of the companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest
 - b. The Company has granted loans to the companies covered in the register maintained under section 189 of the Companies Act, 2013. The Schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment are regular.
 - c. There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013 which are overdue for more than ninety days
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) 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) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii)
 - a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance and duty of custom, are not applicable to the Company.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



Af-taab Investment Company Limited

Page 6 of 9

- c. According to the information and explanations given to us, the dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which	Forum where the dispute is pending
Income Tax Act, 1961	Tax, Interest and penalty	71,74,710	FY 1997-98 FY 2000-01 FY 2001-02	Income Tax Appellate (ITAT)level
		31,59,140	FY 2009-10 FY 2010-11	Departmental Authorities

- (viii) The Company did not have any outstanding loans or borrowings dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.



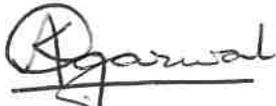
Af-taab Investment Company Limited

Page 7 of 9

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal
Partner
Membership No.: 112773



Place of signature: Mumbai
Date: May 29, 2019

Af-taab Investment Company Limited

Page 8 of 9

Annexure 2 to the Independent Auditor's Report of even date on the Ind AS financial statements of Af-taab Investment Company Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Af-taab Investment Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.



Af-taab Investment Company Limited

Page 9 of 9

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements 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 Ind AS 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 Ind AS financial statements.

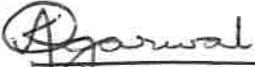
Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2019, 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 S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Abhishek Agarwal
Partner
Membership Number: 112773



Place of Signature: Mumbai
Date: May 29, 2019

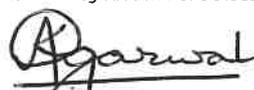
AF-TAAB INVESTMENT COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	5	7,46,972	24,21,755	9,55,755
(b) Loans	6	12522,40,753	10007,47,397	-
(c) Investments	10	14108,78,280	24655,49,645	29703,08,212
(d) Other financial assets	7	-	-	8,14,355
Total financial assets		26638,66,005	34687,18,797	29720,78,322
(2) Non-financial assets				
(a) Current tax assets (net)	8	77,77,346	-	-
(b) Property, plant and equipment	11	-	-	18,23,495
(c) Investment property	12	-	-	152,54,482
(d) Other non-financial assets	9	-	-	7,500
(3) Assets held for Sale	13	853,33,950	605,17,546	1209,63,456
Total non-financial assets		931,11,296	605,17,546	1380,48,933
TOTAL ASSETS		27569,77,301	35292,36,343	31101,27,255
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Trade Payables				
- Total outstanding of dues micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,38,160	3,80,560	2,21,194
(b) Other financial liabilities	14	85,375	8048,35,375	85,375
Total financial liabilities		4,23,535	8052,15,935	3,06,569
(2) Non-financial liabilities				
(a) Current tax liabilities (net)	15	-	1652,52,921	33,29,207
(b) Provisions	16	31,25,000	25,00,000	-
(a) Deferred tax liabilities (net)	17	41,000	9,34,000	415,50,000
Total non-financial liabilities		31,66,000	1686,86,921	448,79,207
TOTAL LIABILITIES		35,89,535	9739,02,856	451,85,776
(3) EQUITY				
(a) Equity share capital	18	1073,00,000	1073,00,000	1073,00,000
(b) Other equity	19	26460,87,766	24480,33,487	29576,41,479
TOTAL EQUITY		27533,87,766	25553,33,487	30649,41,479
TOTAL LIABILITIES AND EQUITY		27569,77,301	35292,36,343	31101,27,255

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003


per Abhishek Agarwal
Membership No : 112773



Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors


Jinendra V. Patil
Director
DIN: 07335106


Kasturi Soundararajan
Director
DIN: 03481637

Prasad S. Bagade
Chief Financial Officer & Company Secretary

Place : Mumbai
Date : 29th May, 2019

AF-TAAB INVESTMENT COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Notes	For the year ended 31st March, 2019 Rupees	For the year ended 31st March, 2018 Rupees
I Revenue from operations			
i) Dividend income	20	205,22,735	395,44,231
ii) Interest income	20	630,76,781	263,01,370
iii) Net gain on fair value changes	20	368,20,647	762,70,020
Total revenue from operations		1204,20,163	1421,15,621
II Other income	21	249,23,265	1547,81,318
III Total income (I+II)		1453,43,428	2968,96,939
IV Expenses			
Depreciation and amortization expense	12	-	4,13,651
Other expenses	22	66,20,820	542,32,143
Total expenses		66,20,820	546,45,794
V Profit before tax (III- IV)		1387,22,608	2422,51,145
VI Tax expense:			
Current tax	23	216,00,000	745,00,000
Income tax in respect of previous years	23	(120,91,300)	-
Deferred tax	23	(8,93,000)	(406,16,000)
Total tax expense		86,15,700	338,84,000
VII Profit for the year (V- VI)		1301,06,908	2083,67,145
VIII Other comprehensive income			
A. Add/(Less):			
(i) Items that will not be reclassified to profit and loss			
(a) Net gain on fair value changes on equity Instruments FVTOCI		793,47,371	3928,03,051
(b) Tax impact on above		(114,00,000)	(1422,00,000)
Other Comprehensive Income for the year		679,47,371	2506,03,051
IX Total Comprehensive Income for the year (VII + VIII)		1980,54,279	4589,70,196
X Earnings per equity share (Nominal value per share of Rs. 10 each (31st March, 2018 of Rs. 10 each))			
Basic (Rs.)	28	121.26	194.19
Diluted (Rs.)	28	121.26	194.19

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003


per Abhishek Agarwal
Membership No : 112773

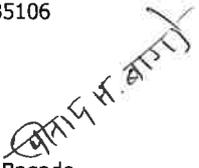


Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors


Jinehdra V. Patil
Director
DIN: 07335106


Kasturi Soundararajan
Director
DIN: 03481637


Prasad S. Bagade
Chief Financial Officer & Company Secretary

Place : Mumbai
Date : 29th May, 2019

AF-TAAB INVESTMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

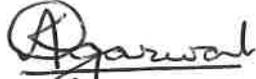
	For the year ended 31st March, 2019 Rupees	For the year ended 31st March, 2018 Rupees
A. Cash flow from operating activities		
Profit before taxes	1387,22,608	2422,51,145
Adjustments to reconcile Profit before tax to net cashflow:		
Provision against standard assets of NBFCs	6,25,000	25,00,000
Net (gain)/loss on investments FVTPL	(368,20,647)	(762,70,020)
Profit on sale of assets	-	(1547,81,318)
Interest on income tax refund	(1,06,861)	-
Impairment of carrying amount of investments (including write back)	(248,16,404)	429,45,910
Dividend received from long term investments through OCI	(171,42,860)	-
Depreciation	-	4,13,651
	<u>(782,61,772)</u>	<u>(1851,91,777)</u>
Operating profit before working capital changes	604,60,836	570,59,368
Working capital adjustments		
Other non financial assets	-	7,500
Other current financial assets (including interest on loans given)	(14,93,356)	66,958
Trade payable	(42,400)	1,59,366
Other financial liabilities	-	-
Inter-corporate loans given	(25000,00,000)	(25000,00,000)
Inter-corporate loans received back	22500,00,000	15000,00,000
Proceeds from sale of long-term investments	-	14960,00,380
Proceeds from sale of investments held for trading	-	3665,07,726
Purchase of current investments	(40781,09,000)	(43684,12,603)
Sale of current investments	51863,46,837	34972,36,134
	<u>8567,02,081</u>	<u>(84,34,539)</u>
Cash generated from operations	9171,62,917	486,24,829
Taxes paid (net)	(300,03,918)	(2186,04,474)
Net cash from operating activities	(A) 8871,58,999	(1699,79,645)
B. Cash flow from investing activities		
Proceeds from sale of property	-	1714,45,645
Proceeds from sale of long term investments through OCI	626,01,546	-
Dividend received from long term investments through OCI	171,42,860	-
	<u>797,44,406</u>	<u>1714,45,645</u>
Net cash from investing activities	(B) 797,44,406	1714,45,645
C. Cash flow from financing activities		
Dividend paid	(8047,50,000)	-
Tax on dividend paid	(1638,28,188)	-
Net cash used in financing activities	(C) (9685,78,188)	-
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(16,74,783)	14,66,000
Cash and cash equivalents as at 1st April (Opening Balance)	24,21,755	9,55,755
Cash and cash equivalents as at 31st March (Closing Balance)	7,46,972	24,21,755

Notes :

- 1) Since the Company is an Investment Company, purchase and sale of Investments have been considered as part of "Cash Flows from Investing Activities" and interest and dividend earned have been considered as part of "Cash Flows from Operating Activities".
- 2) The Cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting standard (Ind AS 7) - "Statement of cash flow".

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003


per Abhishek Agarwal
Membership No : 112773

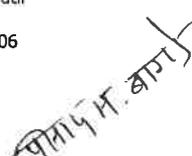


Place : Mumbai
Date : 29th May, 2019

For and on behalf of the Board of Directors


Jinendra V. Patil
Director
DIN: 07335106


Kasturi Soundararajan
Director
DIN: 03481637


Prasad S. Bagade
Chief Financial Officer & Company Secretary

Place : Mumbai
Date : 29th May, 2019

AF-TAAB INVESTMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

A. Equity share capital

	No. of Shares	Amount Rupees
Balance as at 1st April, 2017	10,73,000	1073,00,000
Issued during the year	-	-
Balance as at 31st March, 2018	10,73,000	1073,00,000
Issued during the year	-	-
Balance as at 31st March, 2019	10,73,000	1073,00,000

B. Other equity

	Securities Premium	Capital Redemption Reserve	Reserves and Surplus	Equity instruments through Other Comprehensive Income	Total
	Rupees	Rupees	General Reserve Special Reserve Fund under section 45(1)(c) of Reserve Bank of India Act, 1934	Rupees	Rupees
Balance as at 1st April, 2017	1056,26,000	266,21,000	2761,06,548	8509,67,603	29576,41,479
Profit for the year	-	-	-	-	2083,67,145
Other Comprehensive Income for the year (net of tax)	-	-	-	2506,03,051	2506,03,051
Total Comprehensive Income for the year	-	-	-	2506,03,051	4589,70,196
Transfer from retained earnings to Special Reserve	-	-	1621,47,000	-	-
Transfer to retained earnings on sale of investments (net of tax)	-	-	-	(5240,70,001)	-
Interim Dividend paid including tax on Dividend	-	-	-	-	(9685,78,188)
Balance as at 31st March, 2018	1056,26,000	266,21,000	2761,06,548	5775,00,653	24480,33,487
Balance as at 1st April, 2018	1056,26,000	266,21,000	2761,06,548	5775,00,653	24480,33,487
Profit for the year	-	-	-	-	1301,06,908
Other Comprehensive Income for the year (net of tax)	-	-	-	679,47,371	679,47,371
Total Comprehensive Income for the year	-	-	-	679,47,371	1301,06,908
Transfer from retained earnings to Special Reserve	-	-	353,28,674	-	-
Transfer to retained earnings on sale of investments (net of tax)	-	-	-	(413,91,035)	-
Balance as at 31st March, 2019	1056,26,000	266,21,000	2761,06,548	6040,56,989	26460,87,766

See accompanying notes to the Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003


per Abhishek Agarwal
Membership No : 112773



For and on behalf of the Board of Directors


Jirendra V. Patil
Director
DIN: 07335106


Kasturi Soundararajan
Director
DIN: 03481637

Prasad S. Bagade
Chief Financial Officer & Company Secretary

Place : Mumbai
Date : 29th May, 2019

Place : Mumbai
Date : 29th May, 2019

AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

1 Corporate Information:

Af-Taab Investment Company Limited was incorporated on 21st February, 1979 under the Companies Act, 1956.

The Company is registered as a non-banking financial company under the Reserve Bank of India Act, 1934. The principal business of the Company is to carry on the business of issue houses, underwriters and dealers and traders in shares, securities, bonds, debentures and other investments.

Its registered office is at B Block, Corporate Centre, 34, Sant Tukaram Road, Carnac Bunder, Mumbai 400009.

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (the 'Act') (as amended from time to time).

Upto the year ended 31st March, 2018, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2018.

Refer Note 31 for details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3 Other Significant Accounting Policies

3.1 Financial Instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

3.2 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.2.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.2.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

3.2.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.



3.2.4 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held for trading assets are recorded and measured in balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes. Interest and dividend income is recorded in net gain on fair value changes according to the terms of the contract or when the right to payment has been established.

3.2.5 Investment in Associates

Investment in Associates are measured at cost less impairment as per Ind AS 27 - Separate Financial Statements.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss.

3.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.2.7 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.3 Financial liabilities and equity instruments

3.3.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.3.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3.3.3 Financial liabilities

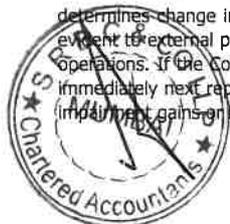
All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.3.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains/losses) or interest.



3.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.7 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below :

Ind AS 116 - Leases
Ind AS 12 - Income Taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)
Ind AS 23 - Borrowing Costs
Ind AS 109 - Prepayment Features with Negative Compensation
Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Company intends to adopt these standards, if applicable, when they become effective. The company does not expect any significant impact of the above amendment on its financial statements.

3.8 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

4 Critical accounting estimates and judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed Information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimated fair value of unquoted securities and impairment of investments - Note 10

Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 17

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019
5 Cash and cash equivalents
Accounting Policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Balances with Banks In current accounts	7,46,972	24,21,755	9,55,755
Cash and cash equivalents as per Balance Sheet	7,46,972	24,21,755	9,55,755
Cash and cash equivalents as per Statement of Cash Flows	7,46,972	24,21,755	9,55,755

6 Loans
At Amortised Cost

(Unsecured unless otherwise stated)

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Loans to Related Parties Holding Company	-	10007,47,397	-
Fellow Subsidiary Companies	12522,40,753	-	-
	12522,40,753	10007,47,397	-

7 Other Financial assets

(Unsecured unless otherwise stated)

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Security Deposit	-	-	8,14,355
	-	-	8,14,355

8 Current tax assets

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Advance income tax (Net)	77,77,346	-	-
	77,77,346	-	-

9 Other non-financial assets

(Unsecured unless otherwise stated)

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Prepaid expenses	-	-	7,500
	-	-	7,500



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

10 Investments

	As at 31st March, 2019 Quantity	As at 31st March, 2018 Quantity	As at 1st April, 2017 Quantity	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
i Investment carried at Cost						
Investment in Equity Shares In Associate Companies (Unquoted)						
Brihat Trading Private Ltd.	3,350	3,350	3,350	33,500	33,500	33,500
				33,500	33,500	33,500
ii Investment carried at Fair value through Other Comprehensive Income						
Investment in Equity Shares						
(a) Quoted						
Tata Motors Ltd.	3,57,159	3,57,159	3,57,159	622,52,814	1167,37,419	1663,82,520
Tata Motors Ltd. - Differential Voting rights	51,022	51,022	51,022	43,77,688	93,52,333	143,95,858
Tata Investment Corporation Ltd.	7,94,416	8,57,143	8,57,143	6651,64,517	6305,57,248	5451,85,805
Tata Consultancy Services Ltd.	-	-	4,84,902	-	-	11791,84,684
Nelco Ltd.	3,18,460	3,18,460	3,18,460	870,19,195	491,54,301	250,78,725
				8188,14,214	8058,01,301	19302,27,592
(b) Unquoted						
Tata International Ltd. *	20,500	20,500	20,500	1622,47,252	1622,47,252	1622,47,252
Tat Industries Ltd. *	10,00,543	10,00,543	10,00,543	1277,51,700	1277,51,700	1277,51,700
Tata Services Ltd.	552	552	552	-	-	-
The Associated Building Co. Ltd.	425	425	425	3,84,415	3,84,415	3,84,415
Taj Air Ltd.	79,00,760	79,00,760	79,00,760	-	-	-
Tata Capital Ltd.	23,33,070	23,33,070	23,33,070	1203,86,412	1166,53,500	779,24,538
				4107,69,779	4070,36,867	3683,07,905
Sub-total ii (a)+ii (b)				12295,83,993	12128,38,168	22985,35,497
iii Investment carried at Fair value through Profit and Loss						
(a) Mutual Fund						
Tata Liquid Super High Investment Fund-Growth	40,124	1,41,084	61,954	1181,44,082	4519,97,157	1857,50,000
Tata Liquid Fund Direct Plan - Daily Dividend	-	-	8,264	-	-	92,10,384
UTI Liquid Cash Plan-Direct Plan - Growth	-	91,586	-	-	2605,71,301	-
LIC MF Liquid Fund - Direct growth	18,625	80,924	-	631,16,705	2550,34,745	-
ICICI Prudential Liquid Direct Plan - Growth	-	11,08,652	6,23,445	-	2850,74,774	1501,60,932
				1812,60,787	12526,77,977	3451,21,316
(b) Investment in Equity Shares(Quoted)						
Vedanta Ltd.	-	-	4,760	-	-	14,55,845
Coal India Ltd.	-	-	18,003	-	-	52,68,578
Infosys Technologies Ltd.	-	-	12,784	-	-	130,68,444
NTPC Ltd.	-	-	2,49,852	-	-	414,75,432
Oil & Natural Gas Corporation Ltd.	-	-	1,08,300	-	-	200,35,500
Reliance Industries Ltd.	-	-	20,900	-	-	276,06,810
State Bank of India	-	-	2,57,000	-	-	754,03,800
NHPC Ltd.	-	-	10,248	-	-	3,29,986
NMDC Ltd.	-	-	1,66,660	-	-	221,82,446
Axis Bank Ltd.	-	-	34,150	-	-	167,60,819
Bajaj Auto Ltd.	-	-	1,150	-	-	32,26,268
Cipla Ltd.	-	-	3,750	-	-	22,23,563
Hindalco Industries Ltd.	-	-	68,000	-	-	132,63,400
IDFC Ltd.	-	-	38,500	-	-	20,98,250
IDFC Bank Ltd.	-	-	38,500	-	-	22,83,050
Larsen & Toubro Ltd.	-	-	6,300	-	-	99,21,870
Mahindra & Mahindra Ltd.	-	-	11,800	-	-	151,85,420
Sun Pharmaceuticals Ltd.	-	-	9,800	-	-	67,43,870
Bharat Forge Ltd.	-	-	6,500	-	-	67,73,650
ICICI Bank Ltd.	-	-	14,000	-	-	38,75,900
ITC Ltd.	-	-	12,000	-	-	33,63,600
Thermax Ltd.	-	-	6,000	-	-	58,79,700
HDFC Bank Ltd.	-	-	17,300	-	-	249,56,115
Total				-	-	3233,82,316
(c) Debentures(Unquoted)						
8.49% Non Convertible Debentures- NTPC Ltd.	-	-	2,49,852	-	-	32,35,583
Sub-total iii (a)+iii (b)+iii (c)				1812,60,787	12526,77,977	6717,39,215
				14108,78,280	24655,49,645	29703,08,212
Aggregate market value of quoted investments				8188,14,214	8058,01,301	22536,09,908
Aggregate carrying value of unquoted investments				5920,64,066	16597,48,344	7166,98,304

Notes :

1 The Company has sold certain investments carried at fair value through other comprehensive income. The resultant gain of Rs. 4,13,91,035/- (31st March, 2018- Rs. 52,40,70,001/-) has been transferred from Equity Instruments through Other Comprehensive Income to Retained Earnings.

* The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.



11 Property, plant and equipments

Accounting Policy

Property, plant and equipments are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Cost includes the cost of replacing part of the property, plant and equipments and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipments as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation

Depreciation commences when the assets are ready for their intended use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Type of asset	Useful lives
Office equipments	15 years

An item of property, plant and equipments is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

Description	Office equipments Rupees
Cost	
Balance as at 1st April, 2018	-
Additions	-
Disposals	-
Balance as at 31st March, 2019	-
Accumulated depreciation and impairment	
Balance as at 1st April, 2018	-
Depreciation expense	-
Eliminated on Disposal of assets	-
Balance as at 31st March, 2019	-
Net carrying amount	
As on 31st March, 2019	-
As on 31st March, 2018	-

Description	Office equipments Rupees
Cost	
Balance as at 1st April, 2017	18,23,495
Additions	-
Disposals	(18,23,495)
Balance as at 31st March, 2018	-
Accumulated depreciation and impairment	
Balance as at 1st April, 2017	-
Depreciation expense	1,13,994
Eliminated on Disposal of assets	(1,13,994)
Balance as at 31st March, 2018	-
Net carrying amount	
As on 31st March, 2018	-
As on 1st April, 2017	18,23,495



AF-TAAB INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended 31st March 2019

12 Investment property

Accounting Policy

Investment property held to earn rentals or for capital appreciation are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment loss. Gain or loss on disposal of investment properties is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Description	Buildings - Others Rupees
Cost or Deemed cost (Gross carrying amount)	
Balance as at 1st April, 2018	-
Additions during the year	-
Disposals during the year	-
Balance as at 31st March, 2019	-
Accumulated depreciation and impairment	
Balance as at 1st April, 2018	-
Depreciation for the year	-
Disposals during the year	-
Balance as at 31st March, 2019	-
Net carrying amount	
As on 31st March, 2019	-
As on 31st March, 2018	-
Description	Buildings - Others Rupees
Cost or Deemed cost (Gross carrying amount)	
Balance as at 1st April, 2017	152,54,482
Additions during the year	-
Disposals during the year	(152,54,482)
Balance as at 31st March, 2018	-
Accumulated depreciation and impairment	
Balance as at 1st April, 2017	-
Depreciation for the year	2,99,657
Disposals during the year	(2,99,657)
Balance as at 31st March, 2018	-
Net carrying amount	
As on 31st March, 2018	-
As on 1st April, 2017	152,54,482
Total Depreciation expense recognised in the statement of profit and loss	
For the year ended 31st March, 2019	-
For the year ended 31st March, 2018	4,13,651

Information regarding Income and expenditure of Investment properties

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees
Rental Income	-	-
Direct Operating Expense arising from Investment Property that generated rental income during the year	-	-
Direct Operating Expense arising from Investment Property that did not generate rental income during the year	-	9,44,863
Net Income/(Expense)	-	9,44,863

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Building
Valuation technique	Market Comparable Approach
Fair Value Hierarchy	Level 2
Fair value (Rupees)	
As at 31st March, 2019	-
As at 31st March, 2018	-
As at 1st April, 2017	2146,65,000

B. Measurement of fair values

Fair value

The Company had an Investment Property located in Bengaluru, India, which has been sold during the year ended 31st March, 2018.

Fair value of the property as at 31st March 2017 was arrived on the basis of a valuation carried out as at that date by an Independent Valuer, M/s Yardi Prabhu Consultants & Valuers Pvt. Ltd. The valuer is registered with the authority which governs the valuers in India and has an appropriate qualification and experience in the valuation of properties in the relevant location. The fair value was derived using the market comparable approach based on recent market prices for similar properties in the neighbourhood without any significant adjustment being made to the market observable data, but adjusted based on the valuer's knowledge of the factors specific to the property.

During the year ended 31st March, 2018, the Company sold the said property.



13 Assets classified as held for sale

Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company treats sale/distribution of the asset or disposal group to be highly probable when:

- the appropriate level of management is committed to a plan to sell the asset (or disposal group),
- an active programme to locate a buyer and complete the plan has been initiated (if applicable),
- the asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. Additional disclosures are provided hereunder. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

	As at 31st March, 2019 Quantity	As at 31st March, 2018 Quantity	As at 1st April, 2017 Quantity	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
a. Investment in Equity shares - Associates (Cost or fair value whichever is less)						
i. Nelito Systems Limited	3,26,950	3,26,950	3,26,950	905,48,046	905,48,046	905,48,046
Less: Provision for diminution in value of Investment				(52,14,096)	(300,30,500)	(333,00,000)
				<u>853,33,950</u>	<u>605,17,546</u>	<u>572,48,046</u>
Tata Ceramics Ltd.	208,29,802	208,29,802	208,29,802	406,09,139	406,09,139	406,09,139
Less: Provision for diminution in value of Investment				(406,09,139)	(406,09,139)	(406,09,139)
				<u>-</u>	<u>-</u>	<u>-</u>
Sub-total a (i)+a (ii)				<u>853,33,950</u>	<u>605,17,546</u>	<u>572,48,046</u>
b. Investment in preference shares - Associates (Cost or fair value whichever is less)						
7.25% Redeemable Cumulative Convertible Preference Shares - Tata Ceramics Ltd.	5,00,000	5,00,000	5,00,000	637,15,410	637,15,410	637,15,410
Less: Provision for diminution in value of Investment				(637,15,410)	(637,15,410)	-
				<u>-</u>	<u>-</u>	<u>637,15,410</u>
				<u>853,33,950</u>	<u>605,17,546</u>	<u>1209,63,456</u>

Notes:

- i. The Company holds investment in Nelito Systems Limited (Nelito), an Associate company. During the year ended 31st March, 2017, the Company decided to sell the same and had sold part of the investment. Balance investment as at 31st March, 2019 has been classified and disclosed as Assets classified as held for sale at Rs. 261/- per share (31st March, 2018 - Rs. 185.10/- per share, 1st April, 2017 - Rs. 175.10/- per share).
- ii. The Company holds investment in equity and preference shares of Tata Ceramics Limited (TCL), an Associate company. During the year ended 31st March, 2017 the Company decided to divest its investment in TCL. Accordingly, the said investment has been classified as held for sale and is being carried at nil value after recognising the impairment loss.

14 Other financial liabilities

Interim Dividend Payable

Other payables

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Interim Dividend Payable	-	8047,50,000	-
Other payables	85,375	85,375	85,375
	<u>85,375</u>	<u>8048,35,375</u>	<u>85,375</u>

15 Current tax liabilities

Income tax Payable (Net)

Tax on proposed Interim Dividend

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Income tax Payable (Net)	-	14,24,733	33,29,207
Tax on proposed Interim Dividend	-	1638,28,188	-
	<u>-</u>	<u>1652,52,921</u>	<u>33,29,207</u>

16 Provisions

Provision for other contingencies

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
Provision for other contingencies	31,25,000	25,00,000	-
	<u>31,25,000</u>	<u>25,00,000</u>	<u>-</u>



17 Deferred tax Liabilities

Accounting Policy

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Rupees	Rupees	Rupees
Deferred Tax Asset	-	-	-
Deferred tax liabilities	41,000	9,34,000	415,50,000
Total - Net Deferred Tax Liabilities	41,000	9,34,000	415,50,000

2018-19	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Recognised directly in equity	Closing balance
	Rupees	Rupees	Rupees	Rupees	Rupees
Deferred tax liabilities in relation to					
Property, plant and equipment	-	-	-	-	-
Investment Property	-	-	-	-	-
Investment in Shares classified as FVTPL	-	-	-	-	-
Mutual funds	9,34,000	(8,93,000)	-	-	41,000
Investment in Debentures	-	-	-	-	-
	9,34,000	(8,93,000)	-	-	41,000

2017-18	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Recognised directly in equity	Closing balance
	Rupees	Rupees	Rupees	Rupees	Rupees
Deferred tax liabilities in relation to					
Property, plant and equipment	1,36,000	(1,36,000)	-	-	-
Investment Property	45,80,000	(45,80,000)	-	-	-
Investment in Shares classified as FVTPL	356,89,000	(356,89,000)	-	-	-
Mutual funds	25,000	9,09,000	-	-	9,34,000
Investment in Debentures	11,20,000	(11,20,000)	-	-	-
	415,50,000	(406,16,000)	-	-	9,34,000

Notes:

- During the current year, the Company has reassessed the recoverability of unrecognised MAT Credit and considering the uncertainty over the realisability, the Company has not recognised MAT Credit amounting to Rs. 92,79,08,848 (31st March, 2018 - Rs. 92,54,77,521 and 1st April, 2017- Rs. 84,94,12,268).
- Unrecognised deferred tax assets on tax losses /unused tax credit for which no deferred tax assets is recognised amount to Rs. 106,18,96,256/-, Rs.107,38,67,607/- and Rs. 96,55,32,050/- crore and as at 31st March, 2019, 31st March, 2018 and 1st April, 2017 respectively. The expiry of unrecognised Deferred Tax Asset is as detailed below:

As at 31st March, 2019 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	Rupees	Rupees	Rupees	Rupees	Rupees
Unutilised MAT credit	-	466,77,479	8812,31,369	-	9279,08,848
Provision for diminution in the value of investment classified as held for sale	12,14,884	-	-	211,11,929	223,26,813
Indexation benefit on Investments	196,48,548	-	-	920,12,047	1116,60,595
Total	208,63,432	466,77,479	8812,31,369	1131,23,976	10618,96,256

As at 31st March, 2018 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	Rupees	Rupees	Rupees	Rupees	Rupees
Unutilised MAT credit	-	466,77,479	8788,00,042	-	9254,77,521
Provision for diminution in the value of investment classified as held for sale	-	-	-	281,09,036	281,09,036
Indexation benefit on Investments	-	-	-	1202,81,050	1202,81,050
Total	-	466,77,479	8788,00,042	1483,90,086	10738,67,607

As at 1st April, 2017 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Closing balance
	Rupees	Rupees	Rupees	Rupees	Rupees
Unutilised MAT credit	-	334,49,516	8159,62,752	-	8494,12,268
Provision for diminution in the value of investment classified as held for sale	-	-	-	288,70,829	288,70,829
Indexation benefit on Investments	-	-	-	872,48,952	872,48,952
Total	-	334,49,516	8159,62,752	1161,19,782	9655,32,050



18 Equity Share Capital

	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Number	Rupees	Number	Rupees	Number	Rupees
Authorised						
Equity shares of Rs. 100 each with voting rights	15,00,000	1500,00,000	15,00,000	1500,00,000	15,00,000	1500,00,000
Issued, subscribed and paid-up						
Equity shares of Rs. 100 each with voting rights	10,73,000	1073,00,000	10,73,000	1073,00,000	10,73,000	1073,00,000
	10,73,000	1073,00,000	10,73,000	1073,00,000	10,73,000	1073,00,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March, 2019		As at 31st March, 2018	
	Number	Rupees	Number	Rupees
Equity shares				
At the beginning of the year	10,73,000	1073,00,000	10,73,000	1073,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,73,000	1073,00,000	10,73,000	1073,00,000

b. Terms/rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs. 100 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when the company declares and pays dividend after obtaining shareholders approval. Dividends are paid in Indian

In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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.

c. Details of shareholders holding more than 5% shares in the Company and shares held by the holding Company

	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Number	Rupees	Number	Rupees	Number	Rupees
Equity shares of Rs 100 each fully paid						
The Tata Power Company Limited (Holding Company)	10,73,000	100%	10,73,000	100%	10,73,000	100%

d. The company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31 March 2019.



19 Other Equity

	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees
a. General Reserves		
Opening balance	2761,06,548	2761,06,548
Closing balance	<u>2761,06,548</u>	<u>2761,06,548</u>
b. Securities Premium		
Opening balance	1056,26,000	1056,26,000
Closing balance	<u>1056,26,000</u>	<u>1056,26,000</u>
c. Capital Redemption Reserves		
Opening balance	266,21,000	266,21,000
Closing balance	<u>266,21,000</u>	<u>266,21,000</u>
d. Special Reserve Fund under section 45(1)(c) of Reserve Bank of India Act, 1934		
Opening balance	11905,62,000	10284,15,000
Amount transferred from Surplus in Statement of profit and loss	353,28,674	1621,47,000
Closing balance	<u>12258,90,674</u>	<u>11905,62,000</u>
e. Retained Earnings		
Opening balance	2716,17,286	6699,05,328
Add: Profit for the year	1301,06,908	2083,67,145
Transfer from Equity Instrument through Other Comprehensive Income (Refer Note 1 below)	413,91,035	5240,70,001
Less: Interim Dividend	-	8047,50,000
Tax on Interim Dividend	-	1638,28,188
Transfer to Special Reserve Fund	353,28,674	1621,47,000
Closing balance	<u>4077,86,555</u>	<u>2716,17,286</u>
f. Equity Instruments through Other Comprehensive Income		
Opening balance	5775,00,653	8509,67,603
Add: Net gain on fair value changes on equity Instruments FVTOCI	793,47,371	3928,03,051
Less: Transfer to Retained Earnings (Refer Note 1 below)	413,91,035	5240,70,001
Other Comprehensive Income -Current Tax	114,00,000	1422,00,000
Closing balance	<u>6040,56,989</u>	<u>5775,00,653</u>
	<u>26460,87,766</u>	<u>24480,33,487</u>

Notes :

1 The Company has sold certain investments carried at fair value through other comprehensive income. The resultant (gain/loss) of Rs. 4,13,91,035/- (31st March, 2018 - Rs. 52,40,70,001/-) has been transferred from Equity Instruments through Other Comprehensive Income to Retained Earnings.

Nature and purpose of reserves:

General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve:

Capital Redemption Reserve represents amounts set aside on buy back of the Company's equity shares.

Special Reserve Fund under section 45(1)(c) of Reserve Bank of India Act, 1934

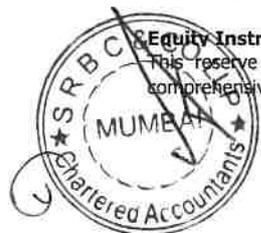
This reserve represents the amount transferred from the annual profits of the Company pursuant to the Reserve Bank of India regulations. The Company transfers twenty percent of the aggregate of Profit after Tax and Gain on sale of investments classified at FVTOCI (actual realised profit) to the Special Reserve pursuant to the said regulations. Appropriation from the reserve is permitted only for the purposes specified by the Reserve Bank.

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains and losses arising on fair valuation of equity investments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets are disposed of.



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

20 Revenue from Operations

Accounting Policy

a. Dividend and Interest Income

Dividend income (including from FVTOCI investments) is recognised when the Company's right to receive the payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Revenue from operations

	For the year ended 31st March. 2019 Rupees	For the year ended 31st March. 2018 Rupees
i. Dividend Income		
a Dividend from Investments carried at Fair Value through Profit or Loss		
- Mutual Funds	-	2,24,291
- Shares and Securities	33,79,875	39,76,587
b Dividend from Investments carried at Fair Value through OCI		
- Shares and Securities	171,42,860	353,43,353
	205,22,735	395,44,231
ii. Interest Income		
a Interest on Inter-corporate Deposits		
- Holding Company	106,50,411	117,99,452
- Fellow Subsidiary Companies	524,26,370	145,01,918
	630,76,781	263,01,370
iii. Net gain/(loss) on fair value changes (Refer Note 1)		
a. Net gain/(loss) on financial instruments at fair value through profit and loss account		
- Bonds / debentures	-	3,67,866
- Mutual Funds	368,20,647	363,80,193
- Shares and Securities	-	395,21,961
Total Net gain on fair value changes	368,20,647	762,70,020
Total Revenue from Operations	1204,20,163	1421,15,621
Note 1		
Fair Value changes:		
-Realised	365,59,860	703,92,523
-Unrealised	2,60,787	58,77,497
Total	368,20,647	762,70,020

21 Other income

	For the year ended 31st March. 2019 Rupees	For the year ended 31st March. 2018 Rupees
Interest on income tax refund	1,06,861	-
Profit on Sale of Assets	-	154,781,318
Impairment of carrying amount of investments in associate written back	248,16,404	-
Total	249,23,265	154,781,318

22 Other expenses

	For the year ended 31st March. 2019 Rupees	For the year ended 31st March. 2018 Rupees
Cost of services	14,06,316	17,75,955
Power and fuel	-	1,12,835
Rent including lease rentals	1,09,032	1,08,339
Repairs and maintenance - Buildings	-	3,08,241
Insurance	-	11,141
Rates and taxes	-	5,12,646
Expenditure on Corporate Social Responsibility (Note b)	19,00,000	9,00,000
Legal and professional Expenses	13,56,518	29,93,200
Directors' sitting fees	-	1,10,000
Other fees	89,208	59,000
Payments to auditors (Note a)	10,58,460	16,11,460
Impairment of carrying amount of investments in associate	-	429,45,910
Demat Charges & Custodian Charges	27,353	2,23,534
Provision for contingencies	6,25,000	25,00,000
Miscellaneous expenses	48,933	59,882
Total	66,20,820	542,32,143

Note a

Payment to Auditors

As auditors

	For the year ended 31st March. 2019 Rupees	For the year ended 31st March. 2018 * Rupees
Statutory audit of Company	9,16,860	9,16,860
Tax Audit	70,800	2,65,500
Taxation matters	-	4,00,350
Other Services	70,800	28,750
	10,58,460	16,11,460

* Includes remuneration paid to predecessor auditor

Note b

Details of corporate social responsibility as per Section 135 (5) of Act and Rules made thereunder:

During the year, the Company has spent Rs. 19,00,000 (31 March 2018: Rs. 9,00,000) towards various schemes of corporate social responsibility as prescribed under Section 135 of the Act. The details are:

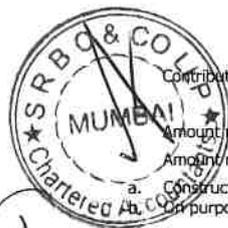
Contribution to Tata Power Community Development Trust

Amount required to be spent as per section 135 of the Companies Act, 2013

Amount required to be spent during the year on:

- a. Construction/Acquisition of asset
b. Other purposes other than (a) above

	For the year ended 31st March. 2019 Rupees	For the year ended 31st March. 2018 * Rupees
	19,00,000	9,00,000
	19,00,000	9,00,000
	19,00,000	9,00,000
	19,00,000	9,00,000



AF-TAAB INVESTMENT COMPANY LIMITED**Notes to the Financial Statements for the year ended 31st March 2019****23 Income taxes****Accounting Policy****Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

a. Income taxes recognised in statement of profit and loss**Current tax**

In respect of the current year
In respect of the previous years

Deferred tax

In respect of the current year

Total income tax expense recognised in the current year

The income tax expense for the year can be reconciled to the accounting profit as follows:

For the year ended 31st March, 2019 Rupees	For the year ended 31st March, 2018 Rupees
216,00,000	745,00,000
(120,91,300)	-
95,08,700	745,00,000
(8,93,000)	(406,16,000)
(8,93,000)	(406,16,000)
86,15,700	338,84,000

Profit before tax

Income tax expense calculated at 29.12% (PY - 34.608%)

Effect of Income that is exempt from taxation

Effect of expenses that are not deductible in determining taxable profit

Effect of Tax on Income at different rates

Unused Tax credit (MAT) pertaining to earlier years recognised in the current year

Indexation benefit not recognised in the past

Impairment of Investments written back on which deferred tax asset was not recognised

Adjustments recognised in the current year in relation to the current tax of prior years

Income tax expense recognised in statement of profit or loss

For the year ended 31st March, 2019 Rupees	For the year ended 31st March, 2018 Rupees
1387,22,608	2422,51,145
403,96,023	838,38,276
(59,76,220)	(136,85,467)
4,66,605	158,71,077
20,42,245	8,60,114
-	(530,00,000)
(90,09,308)	-
(72,12,346)	-
207,07,000	338,84,000
(120,91,300)	-
86,15,700	338,84,000

Notes:

- The tax rate used for the years 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 29.12% and 34.608% respectively payable by corporate entities in India on taxable profits under the Indian tax law.
- The rate used for calculation of Deferred tax is 29.12% for 2018-19 and 34.608% for 2017-18 being statutory enacted rates at respective Balance Sheet date.



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

24 Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees	As at 1st April, 2017 Rupees
i. Principal amount remaining unpaid	-	-	-
ii. Interest due thereon	-	-	-
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
iv. The amount of interest due and payable for the year	-	-	-
v. The amount of interest accrued and remaining unpaid	-	-	-
vi. The amount of further interest due and payable even in the succeeding year, until such date when the	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

25 Commitments - Letter of Comfort

The Company on 15th October, 2018, in case of Tata Ceramics Limited (TCL), has given a letter of comfort to CRISIL Limited, agency carrying out rating of TCL's debts, that in the event TCL required interim financial support Af-taab will endeavour to provide or make arrangements for interim short term funding based on TCL's board approval to support its business requirement.

26 Contingent Liabilities (No cash outflow is expected in the near future)

Claims against the Company not acknowledged as debt

Taxation Matters in respect of which the Company is in appeal - Rs. 22,545,149/- (31st March, 2018 - Rs. 22,545,149/-, 1st April, 2017 - Rs. 22,545,149/-).

27 Segment Information:

As the Company has no activities other than those of an investment company, the segment reporting under Indian Accounting Standard Ind AS 108 - 'Operating Segments' is not applicable. The Company does not have any reportable geographical segment.

28 Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the earliest reporting period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

	For the year ended 31st March, 2019 Rupees	For the year ended 31st March, 2018 Rupees
Net profit from continued operation attributable to equity holders of the Company	1301,06,908	2083,67,145
Weighted average number of equity shares for basic and diluted earnings per share	10,73,000	10,73,000
Basic and diluted earnings per share (Rupees)	121.26	194.19



29 Related Party Disclosures

The table provides the information about the Group's structure including the details of the related parties. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a) List of the related parties and description of relationship:

Name of the related party

Holding Company

The Tata Power Company Limited (TPCL)

Associates

Nellito Systems Limited (NSL)
Brihat Trading Pvt. Ltd.
Tata Ceramics Ltd.

Related parties where transactions have taken place during the year.

Fellow Subsidiaries

Coastal Gujarat Power Limited (CGPL)
Tata Power Renewable Energy Limited (TPREL)
Walwhan Solar TN Limited (WSTNL)

Key Managerial Personnel (KMP)

Anand Agarwal - Manager and Director (Up to 13th July, 2018)
Yogesh Agarwal - Manager and Director (From 13th July, 2018 to 15th November, 2018)
Prasad S. Bhaade - Company Secretary and Chief Financial Officer

b) Related party transactions:

Particulars		Holding Company	Associates and Fellow Associates	Fellow Subsidiary	KMP
		Rupees	Rupees	Rupees	Rupees
Inter-corporate Deposits given					
The Tata Power Company Limited	2019	-	-	-	-
	2018	15000,00,000	-	-	-
Coastal Gujarat Power Limited	2019	-	-	-	-
	2018	-	-	10000,00,000	-
Walwhan Solar TN Limited	2019	-	-	12500,00,000	-
	2018	-	-	-	-
Tata Power Renewable Energy Limited	2019	-	-	12500,00,000	-
	2018	-	-	-	-
Inter-corporate Deposits received back					
The Tata Power Company Limited	2019	10000,00,000	-	-	-
	2018	5000,00,000	-	-	-
Coastal Gujarat Power Limited	2019	-	-	-	-
	2018	-	-	10000,00,000	-
Walwhan Solar TN Limited	2019	-	-	12500,00,000	-
	2018	-	-	-	-
Tata Power Renewable Energy Limited	2019	-	-	-	-
	2018	-	-	-	-
Interest earned on inter-corporate Deposits					
The Tata Power Company Limited	2019	106,50,411	-	-	-
	2018	117,99,452	-	-	-
Coastal Gujarat Power Limited	2019	-	-	-	-
	2018	-	-	145,01,918	-
Walwhan Solar TN Limited	2019	-	-	180,87,329	-
	2018	-	-	-	-
Tata Power Renewable Energy Limited	2019	-	-	343,39,041	-
	2018	-	-	-	-
Dividend earned from NSL	2019	-	8,17,375	-	-
	2018	-	8,17,375	-	-
Rent paid to TPCL	2019	1,09,032	-	-	-
	2018	1,08,339	-	-	-
Receiving of services from TPCL (including cost of services rendered by KMP)	2019	14,95,524	-	-	-
	2018	17,75,955	-	-	-
Dividend paid/declared to TPCL	2019	-	-	-	-
	2018	8047,50,000	-	-	-
Provision for Diminution in value of Investments	2019	-	-	-	-
	2018	-	637,15,410	-	-
Provision for Diminution in value of Investments Written back	2019	-	248,16,404	-	-
	2018	-	32,69,500	175,00,000	-
Balance Outstanding at the end of year					
Dividend payable to TPCL	31-Mar-19	-	-	-	-
	31-Mar-18	8047,50,000	-	-	-
	01-Apr-17	-	-	-	-
Inter-corporate Deposits receivable from TPCL (including interest thereon)	31-Mar-19	-	-	-	-
	31-Mar-18	10007,47,397	-	-	-
	01-Apr-17	-	-	-	-
Inter-corporate Deposits receivable from TPREL (including interest thereon)	31-Mar-19	12522,40,753	-	-	-
	31-Mar-18	-	-	-	-
	01-Apr-17	-	-	-	-

Note: Previous year's figures are in italics.



9

AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

30 Disclosures on financial instruments

a. Accounting classification and fair values

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

Particulars	As at 31st March, 2019										
	Amortised cost		Fair value through profit or loss		Fair value through OCI		Total carrying value		Fair value		Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Financial Assets											
Loans	12522.40,753	-	1812.60,787	-	-	12522.40,753	14108.44,780	12522.40,753	12522.40,753	-	12522.40,753
Investments	-	-	-	12295.83,993	-	14108.44,780	-	10000.75,001	4107.69,779	-	14108.44,780
	12522,40,753	1812,60,787	12295,83,993	26630,85,533	10000,75,001	12522,40,753	26630,85,533	4107,69,779	26630,85,533	4,23,535	4,23,535
Financial Liabilities											
Trade payables and other financial liabilities	4,23,535	-	-	-	-	4,23,535	-	-	4,23,535	-	4,23,535
	4,23,535	-	-	-	-	4,23,535	-	-	4,23,535	-	4,23,535
Particulars	As at 31st March, 2018										
	Amortised cost		Fair value through profit or loss		Fair value through OCI		Total carrying value		Fair value		Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Financial Assets											
Loan	10007.47,397	-	-	-	-	10007.47,397	24655.16,145	10007.47,397	10007.47,397	-	10007.47,397
Investments	-	-	12526.77,977	12128.38,168	-	24655.16,145	-	20584.79,278	4070.36,867	-	24655.16,145
	10007,47,397	12526,77,977	12128,38,168	34662,63,542	20584,79,278	34662,63,542	10007,47,397	4070,36,867	34662,63,542	8052,15,935	8052,15,935
Financial Liabilities											
Trade payables and other financial liabilities	8052.15,935	-	-	-	-	8052.15,935	-	-	8052.15,935	-	8052.15,935
	8052,15,935	-	-	-	-	8052,15,935	-	-	8052,15,935	-	8052,15,935
Particulars	As at 1st April, 2017										
	Amortised cost		Fair value through profit or loss		Fair value through OCI		Total carrying value		Fair value		Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Financial Assets											
Investments	-	-	6717.39,215	22985.35,497	-	29702.74,712	8,14,355	25987.31,224	3715.43,488	-	29702.74,712
Other financial assets	8,14,355	-	-	-	-	8,14,355	-	-	8,14,355	-	8,14,355
	-	6717,39,215	22985,35,497	29710,89,067	25987,31,224	29710,89,067	-	3723,57,843	29710,89,067	-	29710,89,067
Financial Liabilities											
Trade payables and other financial liabilities	3,06,569	-	-	-	-	3,06,569	-	-	3,06,569	-	3,06,569
	3,06,569	-	-	-	-	3,06,569	-	-	3,06,569	-	3,06,569



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

30 Disclosures on financial instruments (Contd.)

b. Measurement of fair values

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level I:

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level II:

Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level III:

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. Inputs are not based on observable market value (unobservable inputs).

Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

i. The management assessed that fair value of loans, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii. The fair value of the FVTOCI financial assets are derived from quoted market price in active markets.

iii. Financial assets and liabilities stated at carrying value is approximately equal to their fair value.

iv. The fair values of the equity investment which are quoted are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

v. The fair value of the financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

vi. There have been no transfers between Level I and Level II for the years ended 31st March, 2019 and 31st March, 2018.

vii. The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

viii. Reconciliation of Level III fair value measurement is as below:

Particulars	As at 31st March, 2019 Rupees	As at 31st March, 2018 Rupees
Balance at the beginning of the year	4070,36,867	3723,57,843
Additions during the year	-	-
Sales/write off during the year	37,32,912	40,49,938
Fair Value changes during the year	4107,69,779	387,28,962
Balance at the end of the year		4070,36,867

All gains and losses included in other comprehensive income related to unlisted shares held at the end of the reporting period are reported under "Equity Instruments through Other Comprehensive Income".

The significant unobservable input used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2019 and 31st March, 2018 are as shown below:

Particulars	Valuation techniques	Significant unobservable inputs	Range (Weighted average)	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	Varies on case to case basis	2% (31st March, 2018; 2%; 1st April, 2017; 2%) Increase (decrease) in the transaction price would result in increase (decrease) in fair value by Rs. 24,07,728 (31st March, 2018; Rs. 23,33,070 1st April, 2017; Rs. 15,58,491)

c. Derivative Financial Instruments

The Company has not entered into any derivative financial contracts during the current and previous financial years.

d. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

Credit risk

Liquidity risk

The Company has a risk management policy which not only covers the market risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks.

The risk management policy is approved by the Board of Directors. The risk management framework aims to:

create a stable financial environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

achieve greater predictability in earnings by determining the financial value of the expected earnings in advance.



AF-TAAB INVESTMENT COMPANY LIMITED
Notes to the Financial Statements for the year ended 31st March 2019

- 30 Disclosures on financial instruments (Contd.)
d. Financial risk management (Contd.)

Credit Risk:

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Credit risk with respect to trade receivables is limited, as there are no trade receivables.

Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 7,46,972 at 31st March, 2019 (31st March, 2018 : Rs. 24,21,755; 1st April, 2017 : Rs. 9,55,755).

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities;

Particulars	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Within 12 months Rupees	After 12 months Rupees	Within 12 months Rupees	After 12 months Rupees	Within 12 Rupees	After 12 months Rupees
Financial Assets						
-Cash and Cash equivalents	7,46,972	-	24,21,755	-	9,55,755	-
-Loans	12522,40,753	-	10007,47,397	-	-	-
-Investments	14108,78,280	-	24655,49,645	-	29703,08,212	-
-Other Financial assets	-	-	-	-	8,14,355	-
TOTAL FINANCIAL ASSETS	26638,66,005	-	34687,18,797	-	29712,63,967	-
Financial Liabilities						
- Trade Payables	3,38,160	-	3,80,560	-	2,21,194	-
- Other Financial Liabilities	85,375	-	8048,35,375	-	85,375	-
TOTAL FINANCIAL LIABILITIES	4,23,535	-	8052,15,935	-	3,06,569	-

Price risk:

i. **Exposure**

The Company is exposed to equity price risk arising from investments held by the Company and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

The majority of the Company's equity investments are listed on the Bombay Stock Exchange (BSE) or the National Stock Exchange (NSE) in India.

ii. **Sensitivity analysis - Equity price risk**

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity/index had increased/decreased by 2% with all other variables held constant and that all the Company's equity instruments moved in line with the index.

	Impact on profit before tax		Impact on other components of equity (before tax)	
	31 March 2019 Rupees	31 March 2018 Rupees	31 March 2019 Rupees	31 March 2018 Rupees
NSE/BSE Index - increase by 2%	-	-	163,76,284	161,16,026
NSE/BSE Index - decrease by 2%	-	-	(163,76,284)	(161,16,026)

Profit for the period would increase/decrease as a result of gain/losses on equity securities classified as at fair value through profit or loss, if any. Other components of equity would increase/decrease as a result of gain/losses on equity securities classified as fair value through other comprehensive income.

e. **Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and bank balances. The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of Credit equity ratio etc. may not be of any relevance to the Company.



AF-TAAB INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended 31st March 2019

31 Explanation of Transition to Ind AS and effect of Ind AS adoption

a. First-time adoption-mandatory exceptions, optional exemptions

i. Overall principle

The Company has prepared the opening balance sheet as per Ind AS as at 1st April, 2017 (the transition date), by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The exceptions and certain optional exemptions availed by the Company in accordance with the guidance provided in Ind AS 101, First Time Adoption of Indian Accounting Standards are detailed below:

ii. Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2017 (the transition date).

iii. Equity investments at Fair Value Through Other Comprehensive Income (FVTOCI)

The Company has designated investment in equity shares of its non-current investments as FVTOCI on the basis of facts and circumstances that existed at the transition date.

iv. Impairment of financial assets

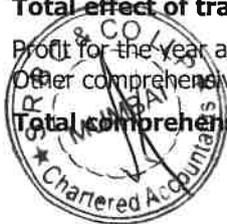
The company has applied the impairment requirements of Ind AS 109 retrospectively based on facts and circumstances existing on transition date.

b. Reconciliation of Total Equity as at 31st March, 2018 and 1st April, 2017

Note	As at 31-Mar-2018 Rupees	As at 1-Apr-2017 Rupees
Equity as reported under previous GAAP	18937,19,697	20515,63,967
Effect of fair valuation of Investments designated as fair value through profit or loss	e. ii. a. 60,39,537	1065,21,899
Effect of valuation of Investments in Preference Shares at amortised cost	e. ii. b. -	137,15,410
Deferred tax	e. ii. c. (9,34,000)	(368,35,000)
Effect of fair valuation of Investments at fair value through Other Comprehensive Income	e. i. a. 6565,08,253	9299,75,203
Equity under Ind AS	25553,33,487	30649,41,479

c. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2018

Note	For the year ended 31-Mar-18 Rupees
Profit after tax reported under per previous GAAP	8107,33,918
Effect of fair valuation of Investments designated as fair value through profit or loss	e. ii. a. (1004,82,469)
Effect of valuation of Investments in Preference Shares classified at amortised cost	e. ii. b. (137,15,410)
Deferred tax	e. ii. c. 359,01,000
Reclassification of gain on sale of investments through other comprehensive income	e. i. b. (6662,69,894)
Reclassification of Current Tax on gain on sale of investments through other comprehensive income	e. i. c. 1422,00,000
Total effect of transition to Ind AS	(6023,66,773)
Profit for the year as per Ind AS	2083,67,145
Other comprehensive income/(expense) for the year (net of tax)	e. i. a. 2506,03,051
Total comprehensive income reported under Ind AS	4589,70,196



AF-TAAB INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended 31st March 2019

31 Explanation of Transition to Ind AS and effect of Ind AS adoption (Contd.)

d. Effect of Ind AS adoption on the Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

e. Notes to reconciliations between Previous GAAP and Ind AS

- i.a. Under the previous GAAP, non-current investments in equity/preference shares of were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are classified as investments at fair value through other comprehensive income (FVTOCI) and are required to be measured at fair value. The fair value changes in the said investments have been recognised in Equity instruments through Other Comprehensive Income as at the date of transition i.e. 1st April, 2017 (Rs. 92,99,75,203) and as on 31st March, 2018 (Rs. 65,65,08,293) and subsequently in other comprehensive income for the year ended 31st March, 2018 (Rs. 25,06,03,051).
- i.b. Under the previous GAAP, gain is accounted for on sale of these investments in the statement of profit and loss. Under Ind AS the said gain realised during the year ended 31st March, 2018 (Rs. 66,62,69,894) is reclassified to Other Comprehensive Income and since the fair value gain up to the previous reporting date i.e. 1st April, 2017 is already accounted for, only the difference between the sales proceeds and the carrying value as at 1st April, 2017 is accounted for in Other Comprehensive Income in the year ended 31st March, 2018.
- i.c. Under the previous GAAP, income tax on gain on sale of these investments was accounted for in the statement of profit and loss in the year ended 31st March, 2018. Under Ind AS the said income tax (Rs. 14,22,00,000) is reclassified to Other Comprehensive Income.
- ii.a. Under the previous GAAP, investments in equity as well as other instruments of non-Tata group companies and investments in debt mutual funds were classified as current investments as the Company intended to hold same for less than a year and therefore were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The fair value gain of these investments at the transition date have been recognised in retained earnings as at 1st April, 2017 (Rs. 10,65,21,899) and as on 31st March 2018 (Rs. 60,39,537) and subsequently in the statement of profit and loss for the year ended 31st March, 2018 (Rs. 10,04,82,469).
- ii.b. Under the previous GAAP, the Company was accounting for dividend on investment in preference shares on declaration by the Company. Under Ind AS, this investment is carried at amortised cost. Accordingly, interest accrued at the transition date has been recognised in retained earnings as at 1st April, 2017 (Rs. 1,37,15,410) and subsequently has been reversed in the statement of profit and loss for the year ended 31st March, 2018 due to impairment of the said investment.
- ii.c. As a result of accounting of the fair value gain of various investments as per ii.a., ii.b., and ii.c. above, the Company has accounted for deferred tax on the said gain under Ind AS at the transition date in retained earnings as at 1st April, 2017 (Rs. 3,68,35,000) and subsequently has been reversed in the statement of profit and loss for the year ended 31st March, 2018 (Rs. 3,59,01,000).



AF-TAAB INVESTMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended 31st March 2019

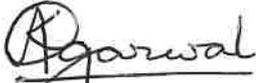
32 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

33 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 29 May, 2019.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003



per Abhishek Agarwal
Membership No : 112773



Place : Mumbai
Date : 29th May, 2019

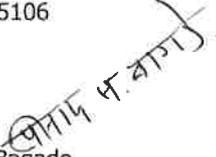
For and on behalf of the Board of Directors



Jinendra V. Patil
Director
DIN: 07335106



Kasturi Soundararajan
Director
DIN: 03481637



Prasad S. Bagade
Chief Financial Officer & Company Secretary

Place : Mumbai
Date : 29th May, 2019