

ADITYA BIRLA**MONEY****DIRECTOR'S REPORT**

Dear Shareholders,

We are pleased to present the 13th Annual Report, along with the audited annual accounts of your Company for the financial year ended 31st March, 2016.

1. Financial Performance Summary

The highlights of the financial results of the Company are as follows:

	(Rs. in Crores)	
	Year ended 31.03.2016	Year ended 31.03.2015
Income from Operations	8.10	7.07
Other Income	1.18	0.68
Total Income	9.27	7.75
Profit before Interest, Depreciation and Taxation	2.31	(0.98)
Less : Interest	0.00	0.00
Profit before Depreciation and Taxation	2.31	(0.98)
Less : Depreciation	0.18	0.20
Profit/(Loss) before Taxation	2.13	(1.18)
Less : Provision for tax including deferred tax	-	-
Profit/(Loss) after Tax	2.13	(1.18)
Profit/Loss brought forward from previous year	(4.37)	(3.18)
Less: Depreciation written off as per Schedule II	-	(0.01)
Balance carried to Balance Sheet	(2.24)	(4.37)

2. Business Performance

During the year under review, the Company earned a total income of Rs.9.27 crores compared to Rs. 7.75 crores during previous year. Net Profit during the year 2015-16 is Rs. 2.13 crores as compared to a Net Loss of Rs.1.18 crores in the previous year.

3. Reserves

During the year under review, the entire profit of Rs.2,12,95,298/- is adjusted against Reserve & Surplus.

4. Dividend

In order to conserve cash for Company's operations, your Directors do not recommend any dividend for the year under review.

5. Share Capital

The Company's Authorised Share Capital is Rs. 7.00 Crore. The Company allotted 2,50,000 Equity Shares of Rs.10/- each to Aditya Birla Money Limited, its holding company. The Issued, Subscribed and Paid up Capital stood at Rs.5.50 Crore as on March 31, 2016 consisting of 5,500,000 Equity shares of Rs.10/- each.

Aditya Birla Commodities Broking Limited
Ali Centre, No. 53 Greams Road,
Chennai 600 006.

ADITYA BIRLA**FINANCIAL SERVICES**

Telephone +91 44 889 0002/3
Fax +91 44 2329 0835
Website www.adityabirlamoney.com



6. Corporate Governance

Your Directors reaffirm their commitment to the corporate governance standards to the extent applicable to the Company.

7. Board Meetings

The Board of Directors of the Company met 4 (four) times during the year i.e. on May 04, 2015, July 23, 2015, October 28, 2015 and January 27, 2016.

8. Subsidiaries

Your Company does not have any subsidiary.

9. Public Deposits

During the year, your Company has not accepted or renewed any deposit from the public as covered under Section 73 of the Companies Act, 2013 Act read with the Companies (Acceptance of Deposits) Rules, 2014.

10. Significant and Material Orders passed by the Regulators or Courts

During the year, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company.

11. Adequacy of Internal Financial Statements

The Company has in place adequate financial controls to ensure the orderly and efficient conduct of its business.

12. Particulars of Loans, Guarantees or Investments

The Company has not granted any loans, guarantees or has made any investments as prescribed under the provisions of Section 186 of the Companies Act, 2013.

13. Risk Management Policy

The Company has a Risk Management Policy in place which includes identifying the elements of risk in the opinion of the Board that may threaten the existence of the company

14. Corporate Social Responsibility

The provisions of Corporate Social Responsibility are not applicable to the Company for the financial year 2015-16 as the criteria mentioned under Section 135 of the Companies Act, 2013 are not fulfilled.

15. Related Party Transactions

All Related Party Transactions ('RPT') entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Related Parties or other designated persons which may have a potential conflict with the interest of the Company at large.



The Board has formulated a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions.

Particulars of contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is appended as Annexure to the Board's report.

16. Directors and KMP

Changes in Board constitution –

Mr. Sudhakar Ramasubramanian, the Director of your Company, resigned from the Board as a Director with effect from April 30, 2016 due to his organisational movement within the Aditya Birla Group. The Board places on record its deep appreciation for the services rendered by him during his tenure as the Managing Director.

Subject to the approval of the shareholders, the Board appointed Mr. Tushar Shah (DIN: 07504267) as an Additional Director of the Company with effect from May 06, 2016. In accordance with Section 161 of the Companies Act, 2013, Mr. Tushar Shah holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible to be appointed as the Director of the Company.

The Company has received a notice from M/s. Aditya Birla Money Limited, shareholder along with the requisite deposit signifying Mr. Tushar Shah's candidature for appointment as the Director at the ensuing Annual General Meeting. The resolution seeking Mr. Tushar Shah's appointment has been included in the Notice of the Annual General Meeting together with his brief details.

Mr. Shriram Jagetiya retires from office by rotation and being eligible, has offered himself for reappointment. The Directors recommend the said re-appointment. Items seeking your approval on the above re-appointment are included in the Notice convening the Annual General Meeting.

A brief resume of the Directors being appointed / re-appointed forms part of the Notice of the ensuing Annual General Meeting.

Key Managerial Personnel

During the year under review, Mr. Srinivas Subudhi resigned from the office of Chief Financial Officer of the Company with effect from March 31, 2016. The Board of Directors has appointed Ms. Sumathy Ravichandran as the Chief Financial Officer effective May 06, 2016.

17. Formal Annual Evaluation

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others. Pursuant to the provisions of the Act, the Directors have carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board.



On the basis of the performance evaluation undertaken, the Board is of the view that the contribution of the Independent Director to the Board is remarkable and therefore the term of appointment of the Independent Director shall continue.

18. Cost Audit

The provisions of Cost audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

19. Nomination and Remuneration Committee

The provisions of Section 178 of the Companies Act, 2013 with regard to Nomination and Remuneration Committee are not applicable to the Company.

20. Managerial Remuneration

The Company does not have an Executive Director/MD/WTD/Manager, therefore the requirement of managerial remuneration does not arise.

21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information relating to the Conservation of Energy and Technology Absorption required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are not applicable to the Company, due to the very nature of the industry in which it operates.

During the year under review, there were no foreign exchange earnings (Previous Year - Nil) and outgo (Previous Year - Nil).

22. Declaration from Independent Director

The Company has received necessary declaration from the Independent Director under Section 149(7) of the Companies Act, 2013 that the Independent Director meets the criteria of Independence laid down in Section 149(6) of the Act.

23. Internal Audit Framework

The Company has in place a robust internal audit framework to monitor the efficacy of internal controls with the purpose of providing to the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

The framework is commensurate with the nature of the business and the size of its operations. Internal auditing, of the Company, involves the utilization of a systematic methodology for analyzing business processes or organizational problems and recommending solutions to add value and improve the processes. The audit approach verifies compliance with the regulatory, operational and system related procedures and controls.

During the year, M/s. PKF Sridhar & Santhanam, Chartered Accountants were appointed as the Internal Auditors by the Board of Directors of the Company. The audit scope and plans of internal audit are approved by the Board every year.



The Internal Audit Process followed by the Company is as follows:

- Establish and communicate the scope and objectives of audit to the management
- Develop an understanding of the business area under review.
- Identify control procedures used to ensure each key transaction type is properly controlled and monitored.
- Develop and execute a risk-based sampling and testing approach to determine whether the key controls are operating as intended.
- Key audit findings and recommendations made by the auditors are reported to the Board of Directors of the Company
- Monitor the implementation of audit recommendations and ensure periodic reporting to the Board of Directors of the Company
- The audit findings are used as a key input in the risk management process and all the key risks of the Company are mapped to the audit processes to ensure a risk-based audit approach.
- The internal audit activity is monitored on an ongoing basis

24. Particulars of Employees

There are no employees fulfilling the criteria as set out under the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. Vigil Mechanism / Whistle Blower Policy

The Company has implemented a whistle blower policy / vigil mechanism for Directors / Employees and every employee has the right to report to the Value Standards Committee (VSC), genuine concerns or grievances about unprofessional conduct, malpractices, wrongful conduct, fraud, violation of the Company's policies & values, violation of law without any fear of reprisal. The Company Secretary of the Company acts as the Secretary to the Values Standard Committee. On a quarterly basis, an update on the issues reported under this policy is placed to the Board of Directors, for its review and perusal.

26. Policy for Prevention of Sexual Harassment at Workplace:

The Company has implemented an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) presided by a senior level woman employee has been set up to redress complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year, no complaints on sexual harassment were received by the Company.

No. of complaints received : None

No. of complaints disposed off : Not Applicable



27. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 ("the Act"), your Directors confirm that, to the best of their knowledge and belief:

- a. in the preparation of the annual accounts, the applicable standards have been followed along with proper explanation relating to material departures, if any;
- b. appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the attached Statement of Accounts for the period ended March 31, 2016 have been prepared on a "going concern basis";
- e. proper systems are in place to ensure compliance of all laws applicable to the Company; and
- f. all related party transactions are disclosed in notes to accounts at Note-27 in terms of Accounting Standard 18.

28. Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as Annexure.

29. Auditors and Auditors' Report

M/s. S.R. Battiboi & Co. LLP, (Registration No. 301003E) Chartered Accountants, Mumbai were appointed in the 12th Annual General Meeting as the Statutory Auditors of the Company for a period of five years to hold office upto the conclusion of the 17th Annual General Meeting. As required by the provisions of the Companies Act, 2013, their appointment should be ratified by the Members at every AGM. Accordingly, requisite resolution forms part of the notice convening AGM for ratification appointment of Auditor.

The observations, if any, made by the Auditors of the Company in their report read with relevant notes to the Accounts are self-explanatory and therefore do not call for any further comments.

30. Secretarial Audit Report

The Secretarial Audit Report for the Financial Year 2015-2016 as submitted by M/s BNP & Associates, Practising Company Secretaries who were appointed as the Secretarial Auditors of the Company by the Board is annexed to this report as Annexure.

There are no qualifications, reservations or adverse remarks or any disclaimer that have been made by the Secretarial Auditor.



31. Appreciation

Your Directors wish to place their sincere appreciation for the valuable advice, guidance and support provided by the regulators and statutory authorities from time to time. Your Directors express their gratitude to the clients, bankers and all business associates for their continuous support and patronage to the Company. Your Directors take this opportunity to recognize and place on record their deep sense of appreciation for the exemplary commitment and contribution made by employees at all levels. Your involvement as Shareholders is greatly valued. Your Directors look forward to your continuing support.

For and on behalf of the Board of Directors

Date : May 06, 2016
Place : Chennai



A handwritten signature in blue ink, appearing to read "Gopi Krishna Tulsian".

Gopi Krishna Tulsian
Director
DIN: 00017786

A handwritten signature in blue ink, appearing to read "Shriram Jagetiya".

Shriram Jagetiya
Director
DIN: 01638250

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

All transactions entered into by the Company during the year with related parties were on arm's length basis.

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

a) Name(s) of the related party and nature of relationship:

Aditya Birla Money Limited, Holding Company

b) Nature of contracts/arrangements/transactions:

Availing and Rendering of Services [Section 188(1)(d) of Companies Act, 2013]

c) Duration of the contracts / arrangements/transactions

On-going transaction (Continuous)

d) Salient terms of the contracts or arrangements or transactions including the value, if any
The transaction with Aditya Birla Money Limited includes:

- i. Reimbursement of Cost including Rent, Electricity, Manpower and Staff welfare expenses
- ii. Rental Advances of branches transferred from ABML
- iii. Inter Corporate loan/investment
- iv. Interest Receivable / Payable on unsecured loans

The transaction value for the financial year 2015-16 with ABML was Rs. 7.38 Crores.

e) Date(s) of approval by the Board, if any

The transaction is on arms' length basis and in the ordinary course of business and so the approval of the Board for this purpose is not required.


f) Amount paid as advances, if any – Nil

For and on behalf of the Board of Directors

Date: May 06, 2016
Place: Chennai




Gopi Krishna Tulsian
Director
DIN: 00017786


Shriram Jagetiya
Director
DIN: 01638250

ADITYA BIRLA**MONEY****Annexures to Director's Report****Form No. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2016**

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

REGISTRATION AND OTHER DETAILS:

i.	CIN	U51501GJ2003PLC065196
ii.	Registration Date	10TH OCTOBER 2003
iii.	Name of the Company	ADITYA BIRLA COMMODITIES BROKING LIMITED
iv.	Category / Sub-Category of the Company	PUBLIC LIMITED
v.	Address of the Registered office and contact details	INDIAN RAYON COMPOUND, VERAVAL – 362 266. GUJARAT
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Commodities Broking	66120 – Securities and Commodity contracts brokerage	87.30%

I. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Aditya Birla Money Limited	L65993GJ1995PLC064810	Holding Co	100%	2(87)(ii)



Aditya Birla Commodities Broking Limited
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SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Shareholding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoter									
1.	Indian									
a)	Individual/ HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt.(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	5250000	5250000	100.00	-	5500000	5500000	100.00	4.76
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total(A)(1):-	-	5250000	5250000	100.00	-	5500000	5500000	100.00	4.76
2.	Foreign									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	-	5250000	5250000	100.00	-	5500000	5500000	100.00	4.76
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks / FI	-	-	-	-	-	-	-	-	-
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital	-	-	-	-	-	-	-	-	-



Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Funds									
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIIIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2.	Non-Institutions									
a)	Bodies Corporate									
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas									
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c)	Others(Specify)									
(i)	Clearing Members	-	-	-	-	-	-	-	-	-
(ii)	HUF	-	-	-	-	-	-	-	-	-
(iii)	NRI	-	-	-	-	-	-	-	-	-
(iv)	Trusts	-	-	-	-	-	-	-	-	-
(v)	Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C.	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	-	5250000	5250000	100.00	-	5500000	5500000	100.00	4.76



Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the year (As on 31-03-2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Aditya Birla Money Limited	5250000	100%	N.A.	5500000	100%	N.A.	4.76
	Total	5250000	100%	N.A.	5500000	100%	N.A.	4.76

Change in Promoters' Shareholding

	Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the year (As on 31-03-2016)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	5250000	100	-	-
Allotment on January 28, 2015 on rights basis	250000	4.76	5500000	100
At the End of the year			5500000	100

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of shares of the Company	No. of shares	% of shares of the Company
	At the beginning of the year		NIL		
	Increase / Decrease in shareholding during the year				
	At the end of the year				



INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**Remuneration to Managing Director, Whole-time Directors and/or Manager**

Not Applicable. The Company does not have a Managing Director / Whole Time Director / a Manager.

Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount in Rs.
1.	<u>Independent Directors</u>	Mr. P. Sudhir Rao	
	- Fee for attending board committee meetings	40,000	40,000
	- Commission	-	-
	- Others	-	-
	Total (1)	40,000	40 000



2.	Other Non-Executive Directors - Fee for attending board committee meetings - Commission - Others	NIL	
	Total (2)	40,000	40,000
	Total (B)=(1+2)	40,000	40,000

Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Amount in Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Janani T A Company Secretary	Srinivas Subudhi, Chief Financial Officer	Total
1.	Gross salary	NOT APPLICABLE			
	- Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		5,01,911	-	5,01,911
	- Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	- Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2.	Stock Option*		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission	-	-	-	
5.	Others	-	-	-	
6.	Total		5,01,911		5,01,911

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					



Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Aditya Birla Commodities Broking Limited
Indian Rayon Compound,
Veraval- 362266,
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Aditya Birla Commodities Broking Limited** (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2016 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the Information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, and subject to our separate letter attached as Annexure I; we hereby report that in our opinion, the Company has, during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) Forward Contracts (Regulation) Act, 1952 [applicable prior to the merger of Forward Market Commission (FMC) with Securities Exchange Board of India (SEBI)] to the extent of periodic reporting's done by the Company;
- (iii) Securities and Exchange Board of India (Stock Brokers & Sub-Brokers) Regulations, 1992 [applicable post-merger of FMC with SEBI] except the guidelines, circulars, master circulars and directions issued by the SEBI relating to day-to-day operations as a Stock Broker in the ordinary course of business.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India related to meetings and minutes.

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



Page 1 of 4

During the period under review, provisions of the following Acts / Regulations were not applicable to the Company:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Listing Agreement (since not applicable being an unlisted company).

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



JSP
Page 2 of 4

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that-

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has obtained approval from the Board to issue in one or more tranches 17,50,000 Equity Shares of Rs.10/- each at par aggregating Rs.1,75,00,000/- on Rights basis.

Place: Mumbai
Date: May 06, 2016



For BNP & Associates
Company Secretaries

[Firm Regn. No. P2014MH037400]

A handwritten signature in black ink, appearing to read "Jatin S. Popat".

Jatin S. Popat
Partner

FCS 4047 / CP No.6880

Annexure I to the Secretarial Audit Report for the financial year ended 31st March, 2016

To,
The Members,
Aditya Birla Commodities Broking Limited

Our secretarial audit report of even date is to be read along with this letter.

1. Maintenance of Secretarial records and compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records and compliance based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]



Jatin S. Popat

Jatin S. Popat
Partner
FCS 4047 / CP No.6880

Place: Mumbai
Date: May 06, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Commodities Broking Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Aditya Birla Commodities Broking Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2016, its profit, and its cash flows for the year ended on that date.



Emphasis of Matter

We draw attention to Note No. 20 of the Notes to the Financial Statements relating to the recoverability of assets in the nature of trade receivables, advances, and other assets etc. aggregating to Rs. 3,229,900 grouped under advances recoverable in cash or kind, which is subject matter of claim and more fully described therein. Our opinion is not qualified in respect of this matter.

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 purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, refer Note No. 23 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

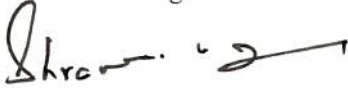


- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Chennai

Date: 6 May 2016



Annexure I referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

Re: Aditya Birla Commodities Broking Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to or from companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 the Act and hence clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (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 Act for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a one case amounting to Rs. 390. The provisions relating to duty of customs and excise duty 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, wealth-tax, service tax, sales-tax, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of duty of customs and excise duty are not applicable to the Company.



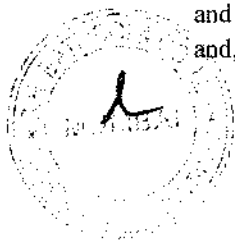
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, provident fund, wealth-tax, service-tax, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	32,034	April 2006 – May 2008	Commissioner of Service Tax
Tamil Nadu Value Added Tax Act, 2006*	Value Added Tax	30,439	April 2006- March 2007	Appellate Assistant Commissioner of Commercial taxes
		765,329	April 2007- March 2008	
Income Tax Act, 1961	Income Tax	108,452	April 2006 – March 2007	Income Tax Appellate Tribunal

*excludes deposits of Rs. 265,257

The provisions of duty of customs and excise duty are not applicable to the Company.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- (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 is 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 177 and 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.
- (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.

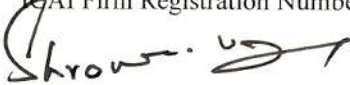


- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 6 May 2016



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADITYA BIRLA COMMODITIES BROKING LIMITED

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

To the Members of Aditya Birla Commodities Broking Limited

We have audited the internal financial controls over financial reporting of Aditya Birla Commodities Broking Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 ('the Act').

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the



Aditya Birla Commodities Broking Limited

Page 2 of 2

company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

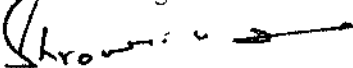
Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance Sheet as at 31 March 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 6 May 2016 expressed an unqualified opinion.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



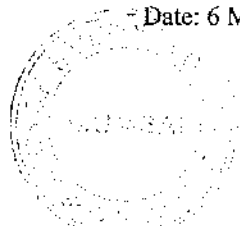
per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Chennai

Date: 6 May 2016



Aditya Birla Commodities Broking Limited

Balance Sheet as at March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
(A) Shareholders' Funds			
Share Capital	3	55,000,000	52,500,000
Reserves and Surplus	4	(22,435,988)	(43,731,286)
	Sub-Total (A)	32,564,012	8,768,714
(B) Non-Current Liabilities			
Other Long-term Liabilities	5A	346,528	245,168
Long-term Provisions	6A	511,769	1,369,696
	Sub-Total (B)	858,297	1,614,864
(C) Current Liabilities			
Trade Payables	7	8,598,020	9,362,808
Other Current Liabilities	5B	204,453,904	190,119,936
Short-term Provisions	6B	5,205,494	1,551,815
	Sub-Total (C)	218,257,418	201,034,559
	TOTAL (A)+(B)+(C)	251,679,727	211,418,137
ASSETS			
(D) Non-Current Assets			
Fixed Assets			
Property Plant and Equipment	8A	2,639,383	4,440,131
		2,639,383	4,440,131
Long-term Loans and Advances	9A	35,033,113	19,793,903
	Sub-Total (D)	37,672,496	24,234,034
(E) Current Assets			
Current Investments	10	-	8,341
Trade Receivables	11	4,712,739	3,801,370
Cash & Bank Balances	12	132,092,552	99,703,623
Short-term Loans and Advances	9B	8,259,816	15,938,480
Other Current Assets	13	68,942,124	67,732,289
	Sub-Total (E)	214,007,231	187,184,103
	TOTAL (D)+(E)	251,679,727	211,418,137

Significant Accounting Policies

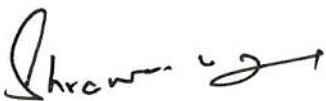
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The accompanying Notes are an integral part of the Financial Statements

As per our Report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Aditya Birla Commodities Broking Limited



per **Shrawan Jaian**
Partner
Membership No.: 102102

Date: May 6, 2016
Place: Chennai


GOPI KRISHNA TULSTAN
Director
DIN : 00017786


Sumathy Ravichandran
Chief Financial Officer
PAN : AQZPS5845C


SHRIRAM JAGETIYA
Director
DIN : 01638250


Janani T A
Company Secretary
PAN : AQLPJ8451F



Aditya Birla Commodities Broking Limited**Statement of Profit and Loss for the Year Ended March 31, 2016**

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>Note No.</u>	<u>Year Ended March 31, 2016</u>	<u>Year Ended March 31, 2015</u>
Revenue from Operations	14	80,960,741	70,690,646
Other Income	15	11,775,625	6,780,384
Total Revenue		92,736,366	77,471,030
Expenses			
Employee Benefits Expenses	16	27,698,198	37,582,748
Finance Cost	17	17,509	4,500
Depreciation and Amortisation Expenses	18	1,800,748	2,018,111
Business Partners Payout		22,636,674	24,201,686
Other Expenses	19	19,287,939	25,446,465
Total Expenses		71,441,068	89,253,510
Profit/(Loss) Before Tax		21,295,298	(11,782,480)
Less Expenses		-	-
- Current Tax		3,611,905	-
- MAT Credit		(3,611,905)	-
Profit/(Loss) for the Year		21,295,298	(11,782,480)
Basic and diluted Earnings per Share (Face Value of Rs. 10/- each)	25	3.92	(2.34)

Significant Accounting Policies

2

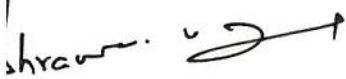
The accompanying Notes are an integral part of the Financial Statements

As per our Report of even date

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No.: 102102

Date: May 6, 2016

Place: Chennai

**For and on behalf of the Board of Directors of
Aditya Birla Commodities Broking Limited**


GOPI KRISHNA TULSIAN
Director
DIN : 00017786



SHRIRAM JAGETIYA
Director
DIN : 01638250



Sumathy Ravichandran
Chief Financial Officer
PAN : AQZPS5845C



Janani T A
Company Secretary
PAN : AQLPJ8451F


Aditya Birla Commodities Broking Limited
Cash Flow Statement as at 31st March, 2016
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	March 31,2016	March 31,2015
	Rs.	Rs.
Cash flow from operating activities		
Profit / (Loss) before tax	21,295,298	(11,782,480)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization	1,800,748	2,018,111
Provision for doubtful debts	431,330	339,512
Provision for doubtful deposits and advances	1,994,047	781,682
Net (gain)/ loss on sale of current investments	3,137,170	(2,002,386)
Interest expense	17,509	4,500
Interest (income)	(7,972,041)	(4,540,071)
Operating profit before working capital changes	20,704,061	(15,181,132)
Movements in working capital :		
Increase/ (decrease) in trade payables	(764,788)	1,960,014
Increase / (decrease) in long-term provisions	(857,927)	(850,740)
Increase / (decrease) in short-term provisions	41,774	(297,606)
Increase/ (decrease) in other current liabilities	14,333,968	17,862,400
Increase/ (decrease) in other long-term liabilities	101,360	(2,272,715)
Decrease / (increase) in trade receivables	(1,342,699)	(2,406,953)
Decrease / (increase) in long-term loans and advances	(14,023,640)	4,816,413
Decrease / (increase) in short-term loans and advances	5,684,617	1,687,501
Decrease / (increase) in other current assets	(187,035)	3,250,366
Cash generated from / (used in) operations	23,689,691	8,567,548
Direct taxes paid (net of refunds)	(2,396,335)	-
Cash flow before exceptional items	26,086,026	8,567,548
Exceptional item	-	-
Net cash from/ (used in) operating activities (A)	26,086,026	8,567,548
Cash flows from investing activities		
Purchase of Mutual Fund	(9,572,645,510)	(615,000,000)
Proceeds from Sale of Mutual Fund	9,569,516,681	616,994,045
Investments in bank deposits (having original maturity of more than three months) and lien deposits	(13,911,993)	(23,747,793)
Maturity of bank deposits (having original maturity of more than three months) and lien deposits	-	150,000
Interest received	6,949,241	1,333,593
Net cash flow from/ (used in) investing activities (B)	(10,091,581)	(20,270,155)
Cash flows from financing activities		
Proceeds from Short-term borrowings	-	45,000,000
Repayment of Short-term borrowings	-	(45,000,000)
Intercompany Loan taken from parent company	24,000,000	1,400,000
Intercompany Loan repaid to parent company	(24,000,000)	(1,400,000)
Proceed received from Issue of Equity capital	2,500,000	2,500,000
Interest paid	(17,509)	(4,500)
Net cash flow from/ (used in) in financing activities (C)	2,482,491	2,495,500
Net increase/(decrease) in cash and cash equivalents (A + B + C)	18,476,936	(9,207,107)
Cash and cash equivalents at the beginning of the year	32,703,617	41,910,724
Cash and cash equivalents at the year ended	51,180,553	32,703,617
Components of cash and cash equivalents		
With banks		
- Current Accounts	51,180,553	32,703,617
Total cash and cash equivalents (Note 12)	51,180,553	32,703,617

As per our Report of even date

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Shrawan

per Shrawan Jalan

Partner

Membership No.: 102102

Date: May 6, 2016

Place: Chennai



For and on behalf of the Board of Directors of
Aditya Birla Commodities Broking Limited

Gopi Krishna Tulsian

Gopi Krishna Tulsian

Director

DIN : 00017786

Shriram Jagetiya

Shriram Jagetiya

Director

DIN : 01638250

Sumathy Ravichandran

Sumathy Ravichandran

Chief Financial Officer

PAN : AQZP55845C

Janar T A

Janar T A

Company Secretary

PAN : AQLP8451F



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
NOTE: 3		
SHARE CAPITAL		
Authorised:		
7,000,000 (Previous year - 7,000,000) equity shares of Rs.10/- each	70,000,000	70,000,000
	70,000,000	70,000,000

Issued, Subscribed and paid-up

EQUITY SHARE CAPITAL

5,500,000 (Previous year - 5,250,000) equity shares of Rs 10/- each

	55,000,000	52,500,000
	55,000,000	52,500,000

1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Sr. No.	Description	As at March 31, 2016		As at March 31, 2015	
		Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
1	Shares outstanding at the beginning of the year	5,250,000	52,500,000	5,000,000	50,000,000
2	Issued during the year	250,000	2,500,000	250,000	2,500,000
3	Shares outstanding at the end of the year	5,500,000	55,000,000	5,250,000	52,500,000

2 Terms/right attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

3 5,500,000 (Previous year - 5,250,000) equity shares of Rs.10/- each fully paid up are held by Aditya Birla Money Limited, the holding company. During the year 250,000 equity shares of Rs.10/- each issued to Aditya Birla Money Ltd, Holding Company. These equity shares issued shall rank pari passu with the existing equity shares of the Company.

4 Shares in the Company held by each shareholder holding more than 5 percent shares and the number of shares held are as under:-

Equity Shares

Sr. No.	Name of Share Holder	As at March 31, 2016		As at March 31, 2015	
		Number of Shares held	% of total paid-up equity share capital	Number of Shares held	% of total paid-up equity share capital
1	Aditya Birla Money Limited	5,500,000	100	5,250,000	100



Aditya Birla Commodities Broking Limited**Notes to the Financial statements for the Year Ended March 31, 2016**

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at March 31, 2016</u>	<u>As at March 31, 2015</u>
NOTE: 4		
RESERVES & SURPLUS		
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as per last audited Financial Statement	(43,731,286)	(31,761,193)
Addition:		
Profit/(Loss) for the year	21,295,298	(11,782,480)
Less: Appropriations		
Depreciation one time written off as per Sch. II	-	(187,613)
	<u>(22,435,988)</u>	<u>(43,731,286)</u>



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at</u> <u>March 31, 2016</u>	<u>As at</u> <u>March 31, 2015</u>
NOTE: 5A		
OTHER LONG-TERM LIABILITIES		
Rent Equalisation Liability	346,528	245,168
	<u>346,528</u>	<u>245,168</u>
NOTE: 5B		
OTHER CURRENT LIABILITIES		
Other Payables		
Payable to customers	185,643,350	182,875,679
Payable to exchanges	3,695,070	2,725,605
Book Overdraft	126,669	1,388,514
Statutory Dues	1,033,239	1,142,929
Deposits	1,228,963	1,236,534
Others (due to Related Parties) ^	12,726,613	750,675
	<u>204,453,904</u>	<u>190,119,936</u>

^ Rs.12,726,614 payable to Aditya Birla Money Ltd (Previous year : Rs.750,675 payable to Aditya Birla Money Limited and Adity Birla Money Mart Limited)



Aditya Birla Commodities Broking Limited**Notes to the Financial statements for the Year Ended March 31, 2016**

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at</u> <u>March 31, 2016</u>	<u>As at</u> <u>March 31, 2015</u>
NOTE: 6A		
LONG-TERM PROVISIONS		
Provisions for Employee Benefits:		
Gratuity (Unfunded) (Refer note no.26)	511,769	1,369,696
	<u>511,769</u>	<u>1,369,696</u>
NOTE: 6B		
SHORT-TERM PROVISIONS		
Provisions for Employee Benefits:		
Leave Encashment	265,489	691,706
Gratuity (Unfunded) (Refer note no.26)	488,210	20,219
Taxation (Net of taxes paid Rs.16,060,110/- (Previous year:Rs.16,060,110/-)	4,451,795	839,890
	<u>5,205,494</u>	<u>1,551,815</u>



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at</u> <u>March 31, 2016</u>	<u>As at</u> <u>March 31, 2015</u>
NOTE: 7		
TRADE PAYABLES		
Salaries, wages, bonus and other employee benefits payable	1,381,569	3,606,175
Trade Payables (Others)	7,216,451	5,756,633
	<u>8,598,020</u>	<u>9,362,808</u>

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



Aditya Birla Commodities Broking Limited
Notes to the Financial statements for Year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

Note 8A - Tangible Assets

	Note 8A - Tangible Assets					Note 8B - Intangible Assets	
	V SAT Equipments	Furniture & Fixtures	Office Equipment	Computers	TOTAL	Gross Block	Computer Software
Gross Block							
As at 1st April 2014	283,982	10,491,640	523,636	124,990	11,424,248	As at 1st April 2014	24,105,228
Additions	-	-	-	-	-	Additions	-
Deletions/Adjustment	-	-	-	-	-	Deletions/Adjustment	-
As at 31st March 2015	283,982	10,491,640	523,636	124,990	11,424,248	As at 31st March 2015	24,105,228
Cost						Cost	
At 1 April 2015	283,982	10,491,640	523,636	124,990	11,424,248	At 1 April 2015	24,105,228
Additions	-	-	-	-	-	Additions	-
Deletions/Adjustment	-	-	-	-	-	Deletions/Adjustment	-
As at 31st March 2016	283,982	10,491,640	523,636	124,990	11,424,248	As at 31st March 2016	24,105,228
Accumulated Depreciation						Accumulated Amortization	
As at 1st April 2014	152,476	4,207,140	293,787	124,990	4,778,393	As at 1st April 2014	24,105,228
For the year	-	1,935,157	82,955	-	2,018,111	For the year	-
Deletions/Adjustment	131,506	6,175	49,933	-	187,614	Deletions/Adjustment	-
As at 31st March 2015	283,982	6,148,471	426,675	124,990	6,984,118	As at 31st March 2015	24,105,228
Depreciation						Depreciation	
At 1 April 2015	283,982	6,148,471	426,675	124,990	6,984,118	At 1 April 2015	24,105,228
For the year	-	1,739,924	60,824	-	1,800,748	For the year	-
Deletions/Adjustment	-	-	-	-	-	Deletions/Adjustment	-
As at 31st March 2016	283,982	7,888,395	487,499	124,990	8,784,866	As at 31st March 2016	24,105,228
Net book amount as at 31st March	-	4,343,169	96,961	-	4,440,130	Net book amount as at 31st March 2015	0
Net book amount as at 31st March	-	2,603,245	36,137	-	2,639,382	Net book amount as at 31st March 2016	0



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at March 31, 2016</u>	<u>As at March 31, 2015</u>
NOTE: 9A		
LONG-TERM LOANS AND ADVANCES		
Security Deposits	3,972,806	3,534,166
Margins with Exchange	21,885,000	8,300,000
Considered Doubtful	1,875,000	-
	<u>23,760,000</u>	<u>8,300,000</u>
Less: Provision for Doubtful	<u>(1,875,000)</u>	<u>-</u>
	21,885,000	8,300,000
Advance Tax (Net of Provision Rs.6,640,873/- (Previous year : Rs.6,640,873/-))	5,563,402	7,959,737
MAT Credit Entitlement	3,611,905	-
	<u>35,033,113</u>	<u>19,793,903</u>
NOTE: 9B		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good, except otherwise stated)		
Advances recoverable in cash or Kind		
Considered Good	2,375,345	2,370,662
Considered Doubtful	1,533,269	1,414,222
	<u>3,908,614</u>	<u>3,784,884</u>
Less: Provision for Doubtful	<u>(1,533,269)</u>	<u>(1,414,222)</u>
	2,375,345	2,370,662
Other Loans and Advances		
Margins with Exchange	1,373,551	10,075,000
Security Deposits	29,000	475,640
Considered Doubtful	366,500	366,500
	<u>395,500</u>	<u>842,140</u>
Less: Provision for Doubtful	<u>(366,500)</u>	<u>(366,500)</u>
	29,000	475,640
Balance with Govt. Authorities	2,159,791	408,670
Advance for Expenses & Supplier	1,521,996	1,738,157
Prepaid Expenses	796,099	859,019
	<u>4,034</u>	<u>11,332</u>
Advances to Employees	90,682	90,682
Considered Doubtful	94,716	102,014
	<u>(90,682)</u>	<u>(90,682)</u>
Less: Provision for Doubtful	4,034	11,332
	<u>8,259,816</u>	<u>15,938,480</u>



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at March 31, 2016</u>	<u>As at March 31, 2015</u>
NOTE: 10		
INVESTMENTS: CURRENT		
Valued at lower of cost and fair value, unless otherwise stated		-
Investments in Mutual Funds	-	8,341
	<u>-</u>	<u>8,341</u>
Aggregate amount of Quoted Investments	-	8,341
Aggregate amount of Unquoted Investments	-	-



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>As at March 31, 2016</u>	<u>As at March 31, 2015</u>
NOTE: 11		
TRADE RECEIVABLES ^		
Outstanding for a period exceeding 6 months from due date of payment		
Secured, Considered Good	675,133	968,250
Unsecured, Considered Doubtful	3,514,764	3,215,462
Less: Provision for doubtful	(3,514,764)	(3,215,462)
Others		
Secured, Considered Good	3,692,792	2,730,909
Unsecured, Considered Good	344,814	102,211
Unsecured, Considered Doubtful	105,907	6,340
Less: Provision for doubtful	(105,907)	(6,340)
	<u>4,712,739</u>	<u>3,801,370</u>

Trade receivables include pass through amounts representing dues from clients towards transactions not fully settled as at the reporting date.

NOTE: 12

CASH AND BANK BALANCES

Cash and Cash Equivalents

Balances with Banks

Current Accounts

51,180,553	32,703,617
<u>51,180,553</u>	<u>32,703,617</u>

Other Bank Balances

Deposit Accounts (with original maturity of more than three months)*

80,911,999	67,000,006
<u>80,911,999</u>	<u>67,000,006</u>

(A) + (B)	<u>132,092,552</u>	<u>99,703,623</u>
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Fixed deposits have been placed under lien towards bank guarantees Rs.40,616,999 (Previous year : 39,125,006), as margins with exchange Rs.40,295,000 (Previous year : 27,875,000).



Aditya Birla Commodities Broking Limited

Notes to the Financial statements for the Year Ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

NOTE: 13

OTHER CURRENT ASSETS

(Unsecured, Considered Good, except otherwise stated)

Accrued Income (from operations)

Receivable from Exchange

Interest Accrued on Fixed Deposits

	<u>As at</u> <u>March 31, 2016</u>	<u>As at</u> <u>March 31, 2015</u>
	623,235	324,675
	65,509,047	65,620,572
	2,809,842	1,787,042
	<u>68,942,124</u>	<u>67,732,289</u>



Aditya Birla Commodities Broking Limited**Notes to the Financial statements for the Year Ended March 31, 2016**

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>Year Ended March 31, 2016</u>	<u>Year Ended March 31, 2015</u>
NOTE: 14		
REVENUE FROM OPERATIONS		
Brokerage income	75,962,297	66,310,692
Account opening charges	144,374	189,404
Income from transaction charges	4,854,070	4,190,550
	<u>80,960,741</u>	<u>70,690,646</u>
NOTE: 15		
OTHER INCOME		
Interest Income - Others	7,972,041	4,540,071
Net Gain on Sale of Investments	3,137,170	2,002,386
Miscellaneous Income (Net)	666,414	237,927
	<u>11,775,625</u>	<u>6,780,384</u>
NOTE: 16		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	26,714,347	35,606,643
Contribution to Provident and Other Funds (Refer Note 26)	624,239	1,427,205
Staff Welfare Expenses	359,612	548,900
	<u>27,698,198</u>	<u>37,582,748</u>
NOTE: 17		
FINANCE COST		
Interest Expenses	17,509	4,500
	<u>17,509</u>	<u>4,500</u>
NOTE: 18		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of Tangible Assets	1,800,748	2,018,111
	<u>1,800,748</u>	<u>2,018,111</u>



Aditya Birla Commodities Broking Limited**Notes to the Financial statements for the Year Ended March 31, 2016**

(All amounts are in Indian Rupees, unless otherwise stated)

	<u>Year Ended March 31, 2016</u>	<u>Year Ended March 31, 2015</u>
NOTE: 19		
OTHER EXPENSES		
Rent	4,469,282	4,785,864
Repairs & Maintenance of:		
Buildings	141,246	134,930
Others	641,264	769,102
Insurance	831,132	1,934,333
Rates and Taxes	1,101,771	1,320,348
Connectivity Charges	1,319,663	2,057,809
Advertisement	114,786	307,985
Legal & Professional Expenses	1,157,165	1,355,697
Provision for Doubtful Debts	431,330	339,512
Provision for Doubtful Deposits and Advances	1,994,047	781,682
Printing and Stationery	258,713	348,282
Travelling & Conveyance	609,791	1,190,091
Communication Expenses	275,010	782,487
Bank Charges	1,138,459	797,278
Auditors' Remuneration *	613,138	410,020
Directors' Fees	40,000	40,000
Postage Expenses	19,727	15,066
Electricity Charges	1,050,804	1,617,867
Information Technology Expenses	2,796,321	5,841,791
Miscellaneous Expenses	284,290	616,321
	<u>19,287,939</u>	<u>25,446,465</u>

* Auditors' Remuneration includes payments to auditors as under:

As auditor:		
Audit fee	400,000	300,000
Tax audit fee	100,000	100,000
Reimbursement of expenses	113,138	10,020
	<u>613,138</u>	<u>410,020</u>



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

1) Nature of operations

Aditya Birla Commodities Broking Limited ('ABCBL' or 'the Company') was incorporated on October 10, 2003 in Chennai, Tamil Nadu. The Company is principally engaged in Commodities Broking and related activities.

2) Statement of Significant Accounting Policies

a) Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Property , Plant and Equipment and Depreciation

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on Property, Plant and Equipment is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The company has used the following useful life to provide depreciation on its fixed assets.



(All amounts are in Indian Rupees, unless otherwise stated)

Assets where useful life is same as Schedule II:

Asset	Useful Life as Prescribed by Schedule II of the Co. Act,2013
Computers (end user computers, Laptops)	3
V-Sat	6
Office Equipment(AC, Ups, Generator & Invertors)	5
Vehicles	6

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Asset	Useful Life as Prescribed by Schedule II of the Co. Act,2013	Estimated Useful Life
Batteries (included under office Equipment's)	5 Years	4 Years
Furniture & Fixtures*	10 Years	7 years

* In case of Furniture & Fixtures fitted with premises, depreciation calculated based on lease period taking into account the secondary lease period or 7 years whichever is less.

Leasehold Assets

Leasehold Improvements	Period of Lease ranging from 4 to 5 years
------------------------	---

Fixed Assets, individually costing less than Rupees five thousands, are fully depreciated in the year of purchase.

Depreciation on the Fixed Assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding In the case of capitalisation of Greenfield/ Brownfield project, depreciation is charged from the date the project is ready to commence commercial production to the Statement of Profit and Loss.

d) Intangible assets

Intangible assets are recorded at the consideration paid for acquisition. The computer software costs are capitalized and recognized as intangible assets in terms of Accounting Standard 26 - Intangible Assets based on materiality, accounting prudence and significant economic benefit expected there from to flow over a period longer than one year. Capitalized costs include direct



(All amounts are in Indian Rupees, unless otherwise stated)

costs of implementation and expenses directly attributable to the development of the software. All other expenses on existing intangible assets, including day-to-day maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Impairment

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
- ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

f) Leases

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

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h) Revenues

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Brokerage Income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transactions by the exchanges.

Other interest incomes are recognised on a time proportion basis.



(All amounts are in Indian Rupees, unless otherwise stated)

i) Employment Benefits

- i. Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- ii. Gratuity liability under the Payment of Gratuity Act which is a defined benefit scheme is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have unconditional right to defer its settlement for 12 months after the reporting date.
- iv. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred

j) Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain



(All amounts are in Indian Rupees, unless otherwise stated)

or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period

k) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

i) Contingent Liability and Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Segment Reporting

The Company is principally engaged in the business of Broking and related activities. The operations are entirely in India.

n) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



(All amounts are in Indian Rupees, unless otherwise stated)

20) Assets forming part of claims made by the Ultimate Parent Company

Pursuant to a Share Purchase agreement ('SPA') between Aditya Birla Nuvo Limited ('ABNL' or 'the Purchaser') and Mr Prataph C Reddy and others ("Erstwhile Promoters") dated August 28, 2008, ABNL had agreed to acquire 31 million equity shares in Aditya Birla Money Limited ("the Parent Company"). The transaction was completed on March 6, 2009.

As per the SPA, the Erstwhile Promoters had agreed to indemnify and hold harmless the Purchaser to the extent of any Losses, resulting from or consequent upon or relating to such breach of representations or warranties, covenants or agreement including but not limited to the recoveries of receivables and other assets in the books of the Company, contingencies on tax and related matters etc.

Subsequent to the completion of the above transaction, the Purchaser noted several breaches of representations and warranties including but not limited to non-recovery of debtors, irrecoverable advances, missing fixed assets etc. Accordingly, ABNL based on its internal assessment of the recoverability of receivables, fixed assets, other assets and matters relating to tax and other contingencies arrived at an amount of Rs 3,038,900 as Losses incurred on account of breach of representation / warranties in the SPA. ABNL invoked the arbitration mechanism and filed their Statement of Claim on February 26, 2011 with the Arbitration Tribunal.

Pending the final outcome of the arbitration proceedings, the Company has identified all such receivables, assets etc which are have not been recovered and other items which are the subject matter of the claim to the extent they are in the books of accounts of the Company as at March 31, 2016 aggregating Rs 3,229,900 (previous year: Rs 3,229,900) and disclosed the same in Advances recoverable in cash or kind under Schedule 9B of the Balance Sheet, as these amounts would be paid directly to the Company by the Erstwhile Promoters at the direction of ABNL as and when the settlement happens.

During the previous year, Arbitral Tribunal has passed an award, allowing claim of Rs..3,204,909/- , which excluded premature claims pertaining to income tax, service tax, etc. Further, such award directed the Erstwhile Promoters to pay a sum of Rs. 1,794,749/- (being 56% of Rs..3,204,909/-, as ABNL has purchased only 56% of shares), alongwith interest @ 14% from the date of award. This award was received by ABNL on 27th May 2014.

Subsequently, during the year both parties have filed petitions under Sec.34 of the Arbitration and Conciliation Act, 1996 seeking to set aside the award and the same are admitted and pending on the file of the High Court of Madras.

In respect of such receivables, which excludes premature claims pertaining to income tax, service tax, etc., the Company has created adequate provision, which also includes claims not awarded by the Arbitral Tribunal to the extent of 44%. In respect of tax claims, the company has obtained favourable order for certain assessment years & is confident of recovering such amount in due course. Such amounts are fully recoverable from the income tax department.

Based on legal opinion received by the company in the previous year and internal assessment, the ultimate company is confident of recovering the allowed claim through the legal process. Further, we conform that ABNL has committed to transfer any funds received on settlement of arbitration order to the company. Accordingly in our opinion there is no uncertainty in recovery of such amounts and no additional provision is necessary.



(All amounts are in Indian Rupees, unless otherwise stated)

21) Capital and other commitments

- Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for is Rs Nil (Previous year - Rs. Nil).
- For commitments relating to lease arrangements, please refer note 24.
- The Company has a process whereby periodically all long term contracts, if any, are assessed for material foreseeable losses. As at the balance sheet date, there were no long term contracts (including derivative contracts)

22) Stamp Duty

Hitherto, the Company had been collecting and remitting stamp duties with respect to states wherein the manner of payment of the same has been prescribed by the respective state governments. From July 2011, the Company had started collecting stamp duty on contract notes for all states, including the states wherein the manner of payment has not yet been notified. The Company is evaluating various options of remitting the same, including remitting those amounts in the State of Tamil Nadu, as all the contract notes are executed at Tamil Nadu. Pending, the final determination of the manner of remittance, amount of Rs. Nil/- (Previous year: Rs. 170,275/-) collected till March 31, 2016 has been disclosed under Statutory Dues under Other Current Liabilities.

23) Contingent liabilities

Particulars	March 31, 2016	March 31, 2015
Disputed tax liability not provided for:		
(a) Service tax - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	32,034	32,034
(b) VAT - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	1,061,025	1,061,025
(c) Income tax - for Assessment year 2007-08 in respect of which Company has gone on appeal.	108,452	108,452
Contingent liability not provided for on account of:		
Claims against the Company not acknowledged as debts*	1,242,120	972,120

* Represents claims made on the Company by various customers alleging unauthorized trades, loss of profits etc. The Company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for any liability has been made in these financial statements.

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other statutory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, the management assessment of a financial outflow is remote and hence the Company is carrying NIL provision as at 31 March 2016.

24) Lease disclosures

Operating leases for premises:

Lease rentals in respect of premises taken on operating lease during the year ended March 31, 2016 amounts to Rs. 4,469,282/- (Previous Year : Rs. 4,785,864).

Future obligations towards lease rentals under non cancellable lease agreements as on March 31, 2016 amounts to Rs. 5,891,528/- (Previous Year: Rs. 8,556,099). Details of Lease Rentals payable within one year and thereafter are as under:

Particulars	March 31, 2016	March 31, 2015
Within one year	1,777,428	2,132,062
Later than one year and not later than five years	3,385,917	5,065,968
Later than five years	728,183	1,358,069

The company has entered into lease / license agreements in respect of immovable properties with different parties. Some of the agreements contain escalation clause related to lease rentals / license fees from 5% to 15% p.a.

25) Earnings per share

Particulars		March 31, 2016	March 31, 2015
Net profit (after tax) as per Statement of profit and loss	A	21,295,298	(11,782,480)
Weighted average number of equity shares			
- Basic and diluted	B	5,439,041	5,042,466
Earnings per share			
- Basic and diluted	A/B	3.92	(2.34)
Nominal value of equity share (in Rs.)		Rs. 10/-	Rs. 10/-

26) Employment Benefit disclosures

The amounts charged to the Statement of profit and loss during the year for Provident fund contribution aggregates to Rs. 592,047 (Previous year – Rs. 1,324,405) and employees' state insurance contribution aggregates to Rs. 32,192 (Previous year - Rs. 102,800).



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

The following tables summarise the components of net benefit expense recognized in the Statement of profit and loss and the amounts recognized in the balance sheet for the gratuity plan.

Amounts recognized in the Balance sheet in respect of gratuity

Particulars	March 31, 2016	March 31, 2015
Present value of defined benefit obligation	999,979	1,389,915
Fair value of plan assets	-	-
Liability/ recognized in the balance sheet	999,979	1,389,915

Amounts recognized in the statement of profit and loss in respect of gratuity

Particulars	March 31, 2016	March 31, 2015
Current service cost	152,153	264,225
Interest cost on benefit obligation	68,901	146,401
Expected return on plan assets	NIL	NIL
Net actuarial (gain) / loss recognized in the year	113,711	(25,666)
Past service costs – vested benefits	NIL	NIL
Net gratuity cost	334,765	384,960

Reconciliation of present value of the obligation

Particulars	March 31, 2016	March 31, 2015
Opening defined benefit obligation	1,389,915	2,263,827
Acquisition Adjustment	-	(1,103,034)
Interest cost	68,901	146,401
Current service cost	152,153	264,225
Actuarial (gains)/ losses on obligation	113,711	(25,666)
Benefits paid	(724,701)	(155,838)
Closing defined benefit obligation	999,979	1,389,915

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.60%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, attrition rate, salary escalation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

27) Related party transactions

List of related parties:

Ultimate holding Company	Aditya Birla Nuvo Limited
	Aditya Birla Financial Services Limited
Holding Company	Aditya Birla Money Limited

Related parties under AS 18 with whom transactions have taken place during the year	
Fellow Subsidiary	Aditya Birla Money Mart Limited Aditya Birla Customer Services Ltd
Key Management Personnel	Ms. Janani T A, (appointed as the Company Secretary with effect from May 04, 2015)

Sr. No.	Particulars	Closing Balance as on March 31, 2016	Transactions 2015 – 2016*	Closing Balance as on March 31, 2015	Transactions 2014 – 2015*
I	Aditya Birla Money Mart Limited				
1	Expenses - Commission, - Management Fees	-	1,088,528	-	2,316,069
	Outstanding Balances				
	- Payables	(58,212)	-	(333,995)	-
II	Aditya Birla Customer Services Ltd				
1	Expenses - Commission, - Management Fees	-	48,011	-	-
2	Outstanding Balances				
	- Receivables	16,385	-	-	-
III	Aditya Birla Money Limited				
1	Recovery of Cost - Rent, Electricity, Staff welfare and other expenses	-	7,154,067	-	17,296,257
2	Recovery of Cost - Manpower	-	13,099,200	-	-
3	Reimbursement of Cost - Manpower	-	2,054,500	-	-
4	Other Transaction- Gratuity/Leave Encashment liability	-	939,209	-	1,636,872
5	Capital investment	(2,500,000)	2,500,000	(2,500,000)	2,500,000
6	Inter corporate loan taken	-	24,000,000	-	1,400,000
7	Inter corporate loan repaid	-	24,000,000	-	1,400,000
8	Interest on Inter corporate loan payable	-	11,781	-	247
9	Interest payable on running account	-	5,729	-	4,253



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2016

(All amounts are in Indian Rupees, unless otherwise stated)

10	Interest receivable on running account	-	53,766	-	72,939
11	Rental advances transfer from ABML	-	-	-	4,367,920
13	Outstanding Balances				
	- Payables	(12,726,614)	-	(416,680)	-
IV.	Mr. P. SUDHIR RAO				
1	Directors Sitting Fee	-	40,000	-	40,000
V	Ms. JANANI TA				
1	Remuneration	-	501,911	-	-

* Amounts excluding service tax

28) Foreign currency transactions

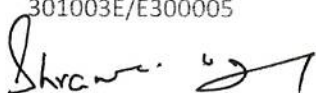
The Company did not enter into any foreign currency transactions in the current year and previous year.

29) Previous year figures

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **S. R. BATLIBOI & CO. LLP**
 Chartered Accountants
 ICAI Firm Registration Number:
 301003E/E300005



per **Shrawan Jalan**
 Partner
 Membership No.: 102102
 Date: May 06, 2016
 Place: Chennai



For and on behalf of the Board of Directors of Aditya Birla
 Commodities Broking Limited


Gopi Krishna Tulsian
 Director
 DIN: 00017786


Sumathy Ravichandran
 Chief Financial Officer
 PAN : AQZPSS845C




Shriram Jagetiya
 Director
 DIN: 01638250


Janani T A
 Company Secretary
 PAN : AQLPJ8451F