

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 2017, 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 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility 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 2017, 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 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, 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. 22 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.
- iv. As per books of accounts of the Company and represented by the management, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

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: 28 April 2017

Annexure 1 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 3(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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of customs and duty of excise 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 duty of excise are not applicable to the Company.

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- (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	Commissioner of Commercial taxes
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 duty of excise 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.

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- (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: 28 April 2017

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 2017 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

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.

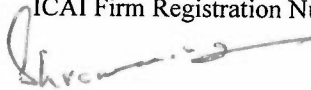
Opinion

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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 28 April 2017

Aditya Birla Commodities Broking Limited

Balance Sheet as at March 31, 2017

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

EQUITY AND LIABILITIES

Shareholders' Funds

Share Capital

Reserves and Surplus

Non-Current Liabilities

Other Long-term Liabilities

Long-term Provisions

Current Liabilities

Trade Payables

Other Current Liabilities

Short-term Provisions

ASSETS

Non-Current Assets

Fixed Assets

Property Plant and Equipment

Long-term Loans and Advances

Other Non-Current Assets

Current Assets

Trade Receivables

Cash & Bank Balances

Short-term Loans and Advances

Other Current Assets

Significant Accounting Policies


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



per **Shrawan Jalan**

Partner

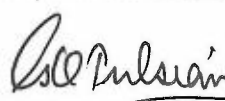
Membership No.: 102102



Date: April 28, 2017

Place: Mumbai

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



Gopi Krishna Tulsian

Director

DIN : 00017786



Tushar Shah

Director

DIN : 07504267




Sumathy Ravichandrar

Chief Financial Officer

PAN : AQZPS5845C



Antaryami Sahoo

Company Secretary

PAN : BXBPS5591R

	Note No.	As at March 31, 2017	As at March 31, 2016
Shareholders' Funds			
Share Capital	3	5,50,00,000	5,50,00,000
Reserves and Surplus	4	(1,11,54,156)	(2,24,35,988)
Sub-Total (A)		4,38,45,844	3,25,64,012
Non-Current Liabilities			
Other Long-term Liabilities	5A	2,776	3,46,528
Long-term Provisions	6A	4,77,300	5,11,769
Sub-Total (B)		4,80,076	8,58,297
Current Liabilities			
Trade Payables	7	87,77,339	85,98,020
Other Current Liabilities	5B	20,77,89,292	20,44,53,904
Short-term Provisions	6B	66,96,070	52,05,494
Sub-Total (C)		22,32,62,701	21,82,57,418
TOTAL (A)+(B)+(C)		26,75,88,621	25,16,79,727
ASSETS			
Non-Current Assets			
Fixed Assets			
Property Plant and Equipment	8	16,09,195	26,39,383
		16,09,195	26,39,383
Long-term Loans and Advances	9A	4,12,04,750	3,50,33,113
Other Non-Current Assets	10	6,55,09,047	6,55,09,047
Sub-Total (D)		10,83,22,992	10,31,81,543
Current Assets			
Trade Receivables	11	11,87,780	47,12,739
Cash & Bank Balances	12	13,78,31,963	13,20,92,552
Short-term Loans and Advances	9B	1,70,77,825	82,59,816
Other Current Assets	13	31,68,061	34,33,077
Sub-Total (E)		15,92,65,629	14,84,98,184
TOTAL (D)+(E)		26,75,88,621	25,16,79,727
Significant Accounting Policies	2		

Aditya Birla Commodities Broking Limited
Statement of Profit and Loss for the Year Ended March 31, 2017
(All amounts are in Indian Rupees, unless otherwise stated)

	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from Operations	14	6,89,99,619	8,09,60,741
Other Income	15	1,31,72,416	1,34,33,149
Total Revenue		8,21,72,035	9,43,93,890
Expenses			
Employee Benefits Expenses	16	2,35,37,068	2,76,98,198
Finance Cost	17	77,551	17,509
Depreciation and Amortisation Expenses	18	10,30,188	18,00,748
Business Partners Payout		2,52,99,372	2,26,36,674
Other Expenses	19	2,09,46,024	2,09,45,463
Total Expenses		7,08,90,203	7,30,98,592
Profit Before Tax		1,12,81,832	2,12,95,298
Tax Expenses			
- Current Tax		15,94,260	36,11,905
- MAT Credit		(15,94,260)	(36,11,905)
Profit for the Year		1,12,81,832	2,12,95,298
Earnings per share (Basic and Diluted) (Face Value of Rs. 10/- each)	24	2.05	3.92

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
ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan

per Shrawan Jalan
Partner
Membership No.: 102102

Date: April 28, 2017
Place: Mumbai



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

Gopi Krishna Tulsian
Gopi Krishna Tulsian
Director
DIN : 00017786

Tushar Shah
Tushar Shah
Director
DIN : 07504267

Sumathy Ravichandrar
Sumathy Ravichandrar
Chief Financial Officer
PAN : AQZPS5845C

Antaryami Sahoo
Antaryami Sahoo
Company Secretary
PAN : BXBPS5591R

Aditya Birla Commodities Broking Limited
Cash Flow Statement as at 31st March, 2017
(All amounts are in Indian rupees, unless otherwise stated)

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
Cash flow from operating activities		
Profit before tax from continuing operations		
Profit / (Loss) before tax	1,12,81,832	2,12,95,298
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization	10,30,188	18,00,748
Provision for doubtful debts	3,65,530	4,31,330
Provision for doubtful deposits and advances	-	19,94,047
Net (gain)/ loss on sale of current investments	(33,25,953)	31,37,170
Interest expense	77,551	17,509
Interest (income)	(73,66,615)	(79,72,041)
Operating profit before working capital changes	20,62,533	2,07,04,061
Movements in working capital :		
Increase/ (decrease) in trade payables	1,79,319	(7,64,788)
Increase / (decrease) in long-term provisions	(34,469)	(8,57,927)
Increase / (decrease) in short-term provisions	14,90,576	41,774
Increase/ (decrease) in other current liabilities	33,35,388	1,43,33,968
Increase/ (decrease) in other long-term liabilities	(3,43,752)	1,01,360
Decrease / (increase) in trade receivables	31,59,429	(13,42,699)
Decrease / (increase) in long-term loans and advances	(10,78,229)	(1,40,23,640)
Decrease / (increase) in short-term loans and advances	(88,18,009)	56,84,617
Decrease / (increase) in other current assets	2,65,016	(1,87,035)
Cash generated from / (used in) operations	2,17,802	2,36,89,691
Direct taxes paid (net of refunds)	50,93,408	(23,96,335)
Cash flow before exceptional items	(48,75,606)	2,60,86,026
Exceptional item		
Net cash from/ (used in) operating activities (A)	(48,75,606)	2,60,86,026
Cash flows from investing activities		
Purchase of Mutual Fund	(11,27,73,00,000)	(9,57,26,45,510)
Proceeds from Sale of Mutual Fund	11,28,06,25,953	9,56,95,16,681
Investments in bank deposits (having original maturity of more than three months) and lien deposits	(15,89,730)	(1,39,11,993)
Interest received	73,66,615	69,49,241
Net cash flow from/ (used in) investing activities (B)	91,02,838	(1,00,91,581)
Cash flows from financing activities		
Intercompany Loan taken from parent company		2,40,00,000
Intercompany Loan repaid to parent company		(2,40,00,000)
Proceed received from Issue of Equity capital		25,00,000
Interest paid	(77,551)	(17,509)
Net cash flow from/ (used in) in financing activities (C)	(77,551)	24,82,491
Net increase/(decrease) in cash and cash equivalents (A + B + C)	41,49,681	1,84,76,936
currency		
Cash and cash equivalents at the beginning of the year	5,11,80,553	3,27,03,617
Cash and cash equivalents at the year ended	5,53,30,234	5,11,80,553
Components of cash and cash equivalents		
With banks		
- on deposit account		
- Current Accounts	5,53,30,234	5,11,80,553
Total cash and cash equivalents (Note 12)	5,53,30,234	5,11,80,553

* The Company can utilise these balances only towards settlement of the respective unpaid dividend and unpaid matured deposit .

As per our Report of even date
For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan



per Shrawan Jalan
Partner
Membership No.: 102102

Date: April 28, 2017
Place: Mumbai

For and on behalf of the Board of Directors of
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Jan Antaryami Sahoo
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Company Secretary
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Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

(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.



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

(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 internal 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
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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.

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 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.



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

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

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.



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

(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 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



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

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

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.

l) 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.

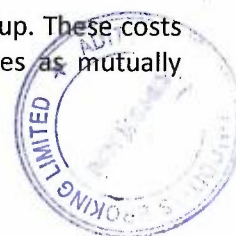
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an 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 because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Cash and Cash Equivalentents

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

n) Sharing of costs

The Company shares certain costs / service charges with other companies in the Group. These costs have been allocated on a reasonable and consistent basis between the Companies as mutually agreed to.



Aditya Birla Commodities Broking Limited
Notes to the Financial statements for the Year Ended March 31, 2017
(All amounts are in Indian Rupees, unless otherwise stated)

NOTE: 3

SHARE CAPITAL

Authorised:

7,000,000 (Previous year - 7,000,000) equity shares of Rs.10/- each

	As at March 31, 2017	As at March 31, 2016
	7,00,00,000	7,00,00,000
	<u>7,00,00,000</u>	<u>7,00,00,000</u>

Issued, Subscribed and paid-up

EQUITY SHARE CAPITAL

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

	5,50,00,000	5,50,00,000
	<u>5,50,00,000</u>	<u>5,50,00,000</u>

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

Sl. No.	Description	As at March 31, 2017		As at March 31, 2016	
		Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
1	Shares outstanding at the beginning of the year	55,00,000	5,50,00,000	52,50,000	5,25,00,000
2	Issued during the year	-	-	2,50,000	25,00,000
3	Shares outstanding at the end of the year	55,00,000	5,50,00,000	55,00,000	5,50,00,000

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 in the event of liquidation of the company, the holders of equity shares will receive remaining assets of the company,

3 5,500,000 (Previous year - 5,500,000) equity shares of Rs.10/- each fully paid up are held by Aditya Birla Money Limited, the 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, 2017		As at March 31, 2016	
		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	55,00,000	100	55,00,000	100

NOTE: 4

RESERVES & SURPLUS

Surplus/(Deficit) in the statement of Profit and Loss

Balance as per last audited Financial Statement

(2,24,35,988) (4,37,31,286)

Addition:

Profit for the year

1,12,81,832	2,12,95,298
<u>(1,11,54,156)</u>	<u>(2,24,35,988)</u>

NOTE: 5A

OTHER LONG-TERM LIABILITIES

Rent Equalisation Liability

2,776	3,46,528
<u>2,776</u>	<u>3,46,528</u>



NOTE: 5B**OTHER CURRENT LIABILITIES**

Other Payables

Payable to customers	20,54,92,632	18,56,43,350
Payable to exchanges	3,85,683	36,95,070
Book Overdraft	-	1,26,669
Statutory Dues	7,32,014	10,33,239
Deposits	11,78,963	12,28,963
Others (due to Related Parties) ^	-	1,27,26,613
	<u>20,77,89,292</u>	<u>20,44,53,904</u>

^ Nil payable to Aditya Birla Money Ltd (Previous year : Rs.12,726,613/- payable to Aditya Birla Money Limited)

NOTE: 6A**LONG-TERM PROVISIONS**

Provisions for Employee Benefits:

Gratuity (Unfunded)	4,77,300	5,11,769
	<u>4,77,300</u>	<u>5,11,769</u>

NOTE: 6B**SHORT-TERM PROVISIONS**

Provisions for Employee Benefits:

Leave Encashment	2,05,415	2,65,489
Gratuity (Unfunded)	4,44,600	4,88,210
Taxation (Net of taxes)	60,46,055	44,51,795
	<u>66,96,070</u>	<u>52,05,494</u>

NOTE: 7**TRADE PAYABLES**

Salaries, wages, bonus and other employee benefits payable	15,88,057	13,81,569
Trade Payables (Others)	71,89,282	72,16,451
	<u>87,77,339</u>	<u>85,98,020</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, 2017. 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.



NOTE: 9A**LONG-TERM LOANS AND ADVANCES**

Security Deposits	34,25,756	39,72,806
Margins with Exchange	2,18,85,000	2,18,85,000
Considered Doubtful	18,75,000	18,75,000
	<u>2,37,60,000</u>	<u>2,37,60,000</u>
Less: Provision for Doubtful	(18,75,000)	(18,75,000)
	<u>2,18,85,000</u>	<u>2,18,85,000</u>
Advance Tax (Net of Provisions)	1,06,87,829	55,63,402
MAT Credit Entitlement	52,06,165	36,11,905
	<u>4,12,04,750</u>	<u>3,50,33,113</u>
	As at	As at
	<u>March 31, 2017</u>	<u>March 31, 2016</u>

NOTE: 9B**SHORT-TERM LOANS AND ADVANCES**

(Unsecured, Considered Good, except otherwise stated)

Advances recoverable in cash or Kind

Considered Good	34,39,727	23,75,345
Considered Doubtful	15,54,904	15,54,904
	<u>49,94,631</u>	<u>39,30,249</u>
Less: Provision for Doubtful	(15,54,904)	(15,54,904)
	<u>34,39,727</u>	<u>23,75,345</u>

Other Loans and Advances

Margins with Exchange	1,10,43,845	13,73,551
Security Deposits	29,000	29,000
Considered Doubtful	3,66,500	3,66,500
	<u>3,95,500</u>	<u>3,95,500</u>
Less: Provision for Doubtful	(3,66,500)	(3,66,500)
	<u>29,000</u>	<u>29,000</u>

Balance with Govt. Authorities	3,09,178	21,59,791
Advance for Expenses & Supplier	8,62,726	15,21,996
Prepaid Expenses	7,59,627	7,96,099
Loans & Advances to Related Party #	6,16,615	-
Advances to Employees	17,107	4,034
Considered Doubtful	69,047	69,047
	<u>86,154</u>	<u>73,081</u>
Less: Provision for Doubtful	(69,047)	(69,047)
	<u>17,107</u>	<u>4,034</u>
	<u>1,70,77,825</u>	<u>82,59,816</u>

Also, refer note 27

NOTE: 10**OTHER NON CURRENT ASSETS**

Receivable from Exchange	6,55,09,047	6,55,09,047
	<u>6,55,09,047</u>	<u>6,55,09,047</u>

NOTE: 11**TRADE RECEIVABLES ^**

Outstanding for a period exceeding 6 months from due date of payment

Secured, Considered Good	5,64,488	6,75,133
Unsecured, Considered Doubtful	39,70,967	35,14,764
Less: Provision for doubtful	(39,70,967)	(35,14,764)

Others

Secured, Considered Good	5,65,572	36,92,792
Unsecured, Considered Good	57,720	3,44,814
Unsecured, Considered Doubtful	47,694	1,05,907
Less: Provision for doubtful	(47,694)	(1,05,907)
	<u>11,87,780</u>	<u>47,12,799</u>

Trade receivables include pass through amounts representing dues from clients and exchanges 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

5,53,30,234	5,11,80,553
<u>5,53,30,234</u>	<u>5,11,80,553</u>

Other Bank Balances

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

8,25,01,729	8,09,11,999
<u>8,25,01,729</u>	<u>8,09,11,999</u>
<u>13,78,31,963</u>	<u>13,20,92,552</u>

* Fixed deposits have been placed under lien towards bank guarantees Rs.40,270,000/- (Previous year : 40,616,999), as margins with exchange Rs.42,231,729/- (Previous year : 40,295,000).

NOTE: 13**OTHER CURRENT ASSETS**

(Unsecured, Considered Good, except otherwise stated)

Accrued Income (from operations)

Interest Accrued on Fixed Deposits

2,52,741	6,23,235
29,15,320	28,09,842
<u>31,68,061</u>	<u>34,33,077</u>

Year Ended	Year Ended
March 31, 2017	March 31, 2016

NOTE: 14**REVENUE FROM OPERATIONS**

Brokerage income

Account opening charges

Income from transaction charges

6,57,33,647	7,59,62,297
1,08,960	1,44,374
31,57,012	48,54,070
<u>6,89,99,619</u>	<u>8,09,60,741</u>

NOTE: 15**OTHER INCOME**

Interest Income - Others

Net Gain on Sale of Investments

Miscellaneous Income (Net)

73,66,615	79,72,041
33,25,953	31,37,170
24,79,848	23,23,938
<u>1,31,72,416</u>	<u>1,34,33,149</u>

NOTE: 16**EMPLOYEE BENEFITS EXPENSE**

Salaries and Wages

Contribution to Provident and Other Funds (Refer Note 26)

Staff Welfare Expenses

2,25,05,610	2,67,14,347
7,22,491	6,24,239
3,08,967	3,59,612
<u>2,35,37,068</u>	<u>2,76,98,198</u>

NOTE: 17**FINANCE COST**

Interest Expenses

77,551	17,509
<u>77,551</u>	<u>17,509</u>

NOTE: 18**DEPRECIATION AND AMORTISATION EXPENSES**

Depreciation of Tangible Assets

10,30,188	18,00,748
<u>10,30,188</u>	<u>18,00,748</u>



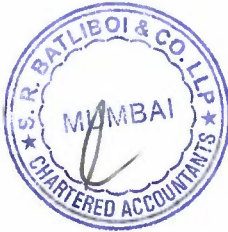
NOTE: 19**OTHER EXPENSES**

Rent	59,61,567	44,69,282
Repairs & Maintenance of:		
Buildings	-	1,41,246
Others	25,04,979	6,41,264
Insurance	7,35,252	8,31,132
Rates and Taxes	5,06,377	11,01,771
Connectivity Charges	27,03,998	13,19,663
Advertisement	11,217	1,14,786
Legal & Professional Expenses	6,77,739	11,57,165
Provision for Doubtful Debts	3,65,530	4,31,330
Provision for Doubtful Deposits and Advances	-	19,94,047
Travelling & Conveyance	4,57,249	6,09,791
Communication Expenses	10,28,623	2,75,010
Bank Charges	12,19,653	11,38,459
Auditors' Remuneration *	5,77,000	6,13,138
Directors' Fees	50,000	40,000
Electricity Charges	16,41,316	10,50,804
Information Technology & Other Expenses	20,51,633	47,32,285
Miscellaneous Expenses	4,53,891	2,84,290
	<u>2,09,46,024</u>	<u>2,09,45,463</u>

* Auditors' Remuneration includes payments to auditors as under:

As auditor:

Audit fee	4,00,000	4,00,000
Tax audit fee	1,00,000	1,00,000
Reimbursement of expenses	77,000	1,13,138
	<u>5,77,000</u>	<u>6,13,138</u>



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

(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, 2017 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 exclude 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 earlier 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.



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

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

21) Capital and other commitments

- a) 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).
- b) For commitments relating to lease arrangements, please refer note 24.
- c) 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) Contingent liabilities

Particulars	March 31, 2017	March 31, 2016
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.	1,08,452	108,452
Contingent liability not provided for on account of:		
Claims against the Company not acknowledged as debts*	1,242,120	1,242,120

* 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 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 2017.

23) Lease disclosures

Operating leases for premises:

Lease rentals in respect of premises taken on operating lease during the year ended March 31, 2017 amounts to Rs. 5,799,411/- (Previous Year : Rs. 4,469,282/-).



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

Future obligations towards lease rentals under non-cancellable lease agreements as on March 31, 2017 amounts to Rs 978,933/- (Previous Year: Rs. 5,891,528/-). Details of Lease Rentals payable within one year and thereafter are as under:

Particulars	March 31, 2017	March 31, 2016
Within one year	9,78,933	1,777,428
Later than one year and not later than five years	-	3,385,917
Later than five years	-	728,183

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.

24) Earnings per share

Particulars		March 31, 2017	March 31, 2016
Net profit (after tax) as per Statement of profit and loss	A	1,12,81,832	21,295,298
Weighted average number of equity shares			
- Basic and diluted	B	5,500,000	5,439,041
Earnings per share			
- Basic and diluted	A/B	2.05	3.92
Nominal value of equity share (in Rs.)		Rs. 10/-	Rs. 10/-

25) Employment Benefit disclosures

The amounts charged to the Statement of profit and loss during the year for Provident fund contribution aggregates to Rs. 4,56,331/- (Previous year – Rs. 592,047/-) and employees' state insurance contribution aggregates to Rs. 48,683/- (Previous year - Rs. 32,192/-).

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, 2017	March 31, 2016
Present value of defined benefit obligation	921,900	999,979
Fair value of plan assets	-	-
Liability/ recognized in the balance sheet	921,900	999,979



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

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

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

Particulars	March 31, 2017	March 31, 2016
Current service cost	104,162	152,153
Interest cost on benefit obligation	75,944	68,901
Expected return on plan assets	NIL	NIL
Net actuarial (gain) / loss recognized in the year	41,342	113,711
Past service costs – vested benefits	NIL	NIL
Net gratuity cost	2,21,448	334,765

Reconciliation of present value of the obligation

Particulars	March 31, 2017	March 31, 2016
Opening defined benefit obligation	999,979	1,389,915
Interest cost	75,944	68,901
Current service cost	104,162	152,153
Actuarial (gains)/ losses on obligation	41,342	113,711
Benefits paid Including Transfer In /(Out)	(299,527)	(724,701)
Closing defined benefit obligation	921,900	999,979

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

Particulars	March 31, 2017	March 31, 2016
Discount rate	6.70%	7.60%
Salary growth rate	10.00%	10.00%

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.



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26. ADITYA BIRLA COMMODITIES BROKING Limited - (Standalone)

Sr. No.	Particulars	YEAR ENDED			
		Closing Balance as on March 31,2017	Transactions 2016-17	Closing Balance as on March 31,2016	Transactions 2015-16
I Aditya Birla Finance Limited (Wealth)					
1	Expenses - Commission, - Management Fees		3,78,508		10,88,528
	Outstanding Balances				
	- Payables	(3,98,809)		(58,212)	
II Aditya Birla Customer Services Limited					
1	Expenses - Commission, - Management Fees		29,375		48,011
	Outstanding Balances				
	- Receivables	-		16,385	
	- Payables	(30,816)		-	
III Aditya Birla Money Limited					
	Reimbursement of Cost - Rent, Electricity, Staff welfare and other expenses		1,33,83,803		71,54,067
1	Reimbursement of Cost : Manpower Cost		1,16,15,636		1,30,99,200
2	Recovery of Cost : Manpower Cost		17,20,752		20,54,500
3	Other Transaction- Gratuity/Leave Encashment liability		-		9,39,209
4	Capital investment		-		25,00,000
5	Inter corporate loan taken		-		2,40,00,000
6	Inter corporate loan repaid		-		2,40,00,000
7	Interest on Inter corporate loan payable		-		11,781
8	Interest receivable on running account		8,786		5,729
9	Interest payable on running account		77,551		53,766
10	Outstanding Balances				
	- Payables	-		(1,27,26,614)	
	- Receivables	29,012		-	
IV Aditya Birla Health Insurance company Limited					
1	Group Desposit-GMC		5,32,504		-
2	Group Desposit-Top up		55,098		-
3	Outstanding Balances				
	- CD Balance	5,87,602			
V Mr. P.Sudhir Rao					
1	Director Sitting Fee		30,000		40,000
VI Ms Janani TA					
1	Remuneration		85,510		5,01,911
VII Mr. Antaryami Sahoo					
1	Remuneration		4,38,577		-

*Amounts excluding service tax



Aditya Birla Commodities Broking Limited
Notes to the financial statements for the year ended March 31, 2017

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

27) Foreign currency transactions

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

28) Specified Bank Notes:

In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013) the Central government has made Amendments to the Schedule III of the said Act, and in pursuant to the same, the below disclosure on details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 is given.

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts/Withdrawals	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

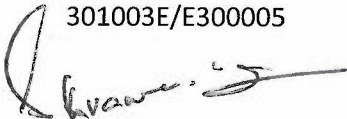
Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

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

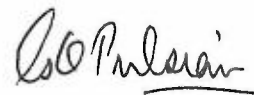
For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number:
301003E/E300005



per Shrawan Jalan
Partner
Membership No.: 102102

Place: Mumbai
Date: April 28, 2017

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



Gopi Krishna Tulsian
Director
DIN: 00017786



Tushar Shah
Director
DIN: 07504267



Sumathy Rayichandran
Chief Financial Officer
PAN : AQZPS5845C



Antaryami Sahoo
Company Secretary
PAN : BXBPS5591R