

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Financial Shared Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Aditya Birla Financial Shared Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether 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 auditors' 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2015 ("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, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. The Order is yet to be notified in the Gazette of India.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts hence, the question of any material foreseeable losses does not arise;



HARIBHAKTI & CO. LLP

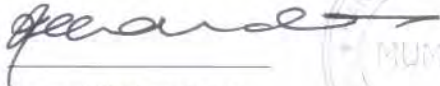
Chartered Accountants

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

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Sumant Sakhardande

Partner

Membership No. 034828



Place: Mumbai

Date: May 07, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Aditya Birla Financial Shared Services Limited on the financial statements for the year ended March 31, 2015

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) The clause (ii), Para 3 is not reported upon as it is not applicable to the company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3 (iii)(a) and 3 (iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the services of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, service tax, cess and any other material statutory dues applicable to it and there have been material delays in a large number of cases.

AND

(a) According to the information and explanations given to us, undisputed dues in respect of provident fund, income tax, which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues (Excluding Interest)	Amount (Rs)	Period to which the amount relates	Due Date	Remarks
Income Tax Act, 1961	Tax Deducted at Source	6,674/-	FY 2013-14	May 7, 2014	Not paid
Income Tax Act, 1961	Tax Deducted at Source	30,394/-	FY 2014-15	May 7, 2014	Since paid
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	10,008/-	FY 2014-15	July 15, 2014	Since paid



(b) According to the information and explanation given to us, there are no dues with respect to income tax, service tax, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (viii) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us the Company has not taken any loan from financial institution, bank and company has not issued any debenture.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company has not obtained any term loans.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Sumant Sakhardande

Partner

Membership No. 034828



Place: Mumbai

Date: May 07, 2015

ADITYA BIRLA FINANCIAL SHARED SERVICES LIMITED

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
(NOTES) FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

NOTE 1

A. COMPANY OVERVIEW:

Aditya Birla Financial Shared Services Limited ('the Company') was incorporated on 19th June 2008. It is a 100% subsidiary of Aditya Birla Financial Services Limited (formerly known as Aditya Birla Financial Services Private Limited). The object of this Company is to provide a common pool of facilities and resources like providing technology, application and business process services to its group companies, with a view to optimize the benefits of specialisation and minimize the cost for each member Company. The member companies have participated in the common pool of facilities and shared the expenses incurred by the Company and member companies.

B. Significant Accounting Policies:

1.1 Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standard notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The Financial statement has been prepared on an accrual basis and under their historical cost convention

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

1.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

1.3 Cash and Cash Equivalents

Cash and cash equivalents represent cash and balance with scheduled bank in current account.

1.4 Tangible & Intangible Assets

Fixed assets are stated at cost less accumulated depreciation / amortization as adjusted for impairment, if any. The cost of acquisition is inclusive of taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit / functioning capability from / of such assets.

All expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts are charged to Statement of Profit and Loss during the year in which they are incurred. Depreciation is charged over the estimated useful life of the fixed asset on a straight-line basis.

Gains or Losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and carrying amount of the asset and is recognized in the Statement of Profit and Loss.



1.5 Depreciation / Amortization

Depreciation on Fixed Assets is provided on a straight line basis at the rates and in the manner prescribed in schedule II of the Companies Act, 2013 except assets individually costing less than rupees five thousand which are fully depreciated in the year of purchase / acquisition.

Following is the summary of useful line of the assets as per management estimates and as required by the Companies Act, 2013.:

Asset Type	Management's estimate of useful life (In years)	Useful Life as Prescribed by Schedule II of the Co. Act,2013
i) Intangible Assets (Software)	3 years	Not specified
ii) Office Computers & Servers		
a. Servers*	4 years	6 years
b. Others*	4 years	3 years
iii) Furniture & Fixtures*	5 years	10 years
iv) Office Equipments	5 years	5 years

*Based on Technical advice, management believes that the useful life of asset reflects the period over which they are expected to be used.

Depreciation on assets sold during the year is recognized on a pro-rata basis to the statement of Profit and Loss till the date of sale

1.6 Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the rates existing as at the balance sheet date. The resulting exchange gain or loss for revenue transactions is reflected in the Statement of Profit and Loss.

1.7 Employee Benefits

A) Provident Fund

The Company contributes to a recognized Provident fund scheme, which is a defined contribution scheme. The Contributions are accounted for on an accrual basis and charged to Profit & Loss Account

B) Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation using Projected Unit Credit Method made at the end of each financial year. Actuarial gains/losses are immediately taken to Statement of Profit & Loss

C) Leave Encashment

Compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment, subject to the rules framed by the Company in this regard. Accumulated compensated absences entitlements outstanding at the close of the year are accounted on the basis of an independent actuarial valuation. Accumulated entitlements at the time of separation are entitled to be encashed.



1.8 Finance Leases

Assets acquired under finance leases are capitalised at the fair value of the leased asset at the inception of the lease and are depreciated on a straight-line basis over the useful life in accordance with the Company's depreciation policy.

1.9 Operating lease

Lease where the lessor effectively retains substantially all the risks and benefits and ownership over the lease term are classified as Operating leases. Operating lease rentals are recognized as an expense on straight line basis over the lease period.

1.10 Income-Tax

The accounting treatment for income-tax in respect of the Company's income is based on the Accounting Standard 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. The provision made for income-tax in the accounts comprises both, the current tax and deferred tax. The deferred tax assets and liabilities for the year, arising on account of timing differences, are recognized in the Statement of Profit & Loss and the cumulative effect thereof is reflected in the Balance Sheet.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit.

1.11 Impairment of Assets

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 asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any, is charged to statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

1.12 Provision for Contingencies

A provision is recognized when the Company has a present obligation as a result of past event/s 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 best 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 best estimates.

Contingent liabilities are not provided for in the accounts and are disclosed by way of notes. A contingent asset is neither recognised nor disclosed.

1.13 Earnings per Share

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

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



Aditya Birla Financial Shared Services Limited

Balance sheet as at 31st March 2015

		(in Rupees)	
<u>EQUITY & LIABILITIES</u>	<u>Note No</u>	<u>As at 31-Mar-15</u>	<u>As at 31-Mar-14</u>
(A) Shareholders' funds			
Share Capital	2	500,000	500,000
Reserves and Surplus	3	1,519,355	802,986
Subtotal (A)		<u>2,019,355</u>	<u>1,302,986</u>
(B) Non-current liabilities			
Long-Term Borrowings	4	23,549,899	36,397,208
Other Long Term Liabilities	5	230,536	182,000
Long-Term Provisions	6	6,351,035	4,499,045
Subtotal (B)		<u>30,131,470</u>	<u>41,078,253</u>
(C) Current liabilities			
Trade payables	7	10,337,630	12,168,909
Other Current Liabilities	8	28,700,458	37,834,864
Short-Term Provisions	9	18,598,208	12,936,356
Subtotal (C)		<u>57,636,296</u>	<u>62,940,129</u>
TOTAL	(A+B+C)	<u>89,787,121</u>	<u>105,321,368</u>
<u>ASSETS</u>			
(D) Non Current Assets			
Fixed Assets			
Tangible assets	10A	16,311,728	15,818,788
Intangible assets	10B	10,883,954	22,700,692
Intangible assets under development		-	650,000
		<u>27,195,682</u>	<u>39,169,480</u>
Long-Term Loans and Advances	11	32,591,758	30,677,254
Subtotal (D)		<u>59,787,439</u>	<u>69,846,734</u>
(E) Current Assets			
Current Investment	12	134,450	-
Cash & Cash Equivalents	13	4,776,393	2,650,793
Short-Term Loans and Advances	14	11,391,418	12,812,203
Other Current Assets	15	13,697,421	20,011,638
Subtotal (E)		<u>29,999,682</u>	<u>35,474,634</u>
TOTAL	(D+E)	<u>89,787,121</u>	<u>105,321,368</u>

Significant Accounting Policies 1

The Accompanying notes are integral part of the Financial Statements

As per our Report attached
For Haribhakti & Co. LLP
Chartered Accountants
Firm Registration No : 103523W



Sumant Sakhardande

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai, May 07, 2015

For and on behalf of Board of Directors of
Aditya Birla Financial Shared Services Ltd.

G.V. Gopalakrishnan

G.V. Gopalakrishnan
Director

A. Dhananjaya

A. Dhananjaya
Director



Aditya Birla Financial Shared Services Limited

Statement of Profit and Loss for the year ended 31st March 2015

(in Rupees)

	Note No	Year Ended	
		31-Mar-15	31-Mar-14
Income			
Other Income	16	820,328	984,137
Total Revenue		820,328	984,137
Expenses			
Employee Benefits Expenses	17	-	-
Finance Cost	18	-	-
Depreciation And Amortisation Expenses	19	-	-
Other Expenses	20	-	-
Total Expenses		-	-
Net Profit before tax		820,328	984,137
Tax expenses			
Current tax		129,772	304,098
Excess provision for tax (A.Y. 11-12)		(25,813)	-
Net Profit after Tax		716,369	680,039
Basic/Diluted Earnings per Share	21	14.33	13.60

Significant Accounting Policies

1

The Accompanying notes are integral part of the Financial Statements

As per our Report attached
For Haribhakti & Co. LLP
 Chartered Accountants
 Firm Registration No : 103523W

For and on behalf of Board of Directors of
 Aditya Birla Financial Shared Services Ltd.



Sumant Sakhardande
 Partner

Membership No. 034828

Mumbai, May 07, 2015

G.V. Gopalakrishnan
 Director



A. Dhananjaya
 Director

Cash Flow Statement for the year ended 31st March 2015

(in Rupees)

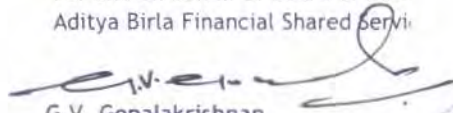
Particulars	31-Mar-15	31-Mar-14
<u>Cash flow from operating activities</u>		
Net Profit as per Profit & Loss Account before taxes	820,328	984,137
<i>Adjustment for:</i>		
Add: Depreciation	25,659,624	30,440,408
Add: Interest paid	6,214,779	8,717,797
Less: Dividend received	(136,628)	-
Operating Profit before working capital changes	32,558,103	40,142,342
(Increase) / Decrease in Short-Term Loans and Advances	1,420,786	2,008,984
(Increase) / Decrease in Other Current Assets	6,314,217	(11,959,572)
(Increase) / Decrease in Long-Term Loans and Advances	(27,445)	(277,355)
Increase / (Decrease) in Other Long Term Liabilities	48,536	182,000
Increase / (Decrease) in Long-Term Provisions	1,851,990	509,221
Increase / (Decrease) in Trade payables	(1,831,279)	1,467,184
Increase / (Decrease) in Other Current Liabilities	(9,134,407)	259,699
Increase / (Decrease) in Short-Term Provisions	5,661,852	4,711,994
Net cash flow from operating activities before Taxes	36,862,352	37,044,497
Less : Taxes Paid	(1,991,017)	(2,829,205)
Net cash flow from operating activities (A)	34,871,335	34,215,292
<u>Cash flow from investing activities</u>		
Purchase of Tangible Assets	(9,473,062)	(1,996,924)
Purchase of Intangible Assets	(4,212,762)	(2,852,479)
Dividend received	136,628	-
Purchase of Mutual funds	(134,450)	-
Net cash from Investing activities (B)	(13,683,646)	(4,849,403)
<u>Cash flow from financing activities</u>		
Proceed / (Repayment) of Long Term Borrowing (net)	(12,847,309)	(19,664,425)
Proceed / (Repayment) of Short Term Borrowing (net)	-	-
Interest paid	(6,214,779)	(8,717,797)
Net cash inflow from financing activities (C)	(19,062,088)	(28,382,222)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,125,601	983,667
Cash and cash equivalents at beginning of the year	2,650,792	1,667,126
Cash and cash equivalents at end of the year	4,776,393	2,650,792

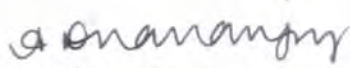
For Haribhakti & Co. LLP
Chartered Accountants
Firm Registration No : 103523W


Sumant Sakhardande
Partner
Membership No. 034828

Mumbai, May 07, 2015

For and on behalf of Board of Directors
Aditya Birla Financial Shared Services Limited


G.V. Gopalakrishnan
Director


A Dhananjaya
Director



NOTE: 2 <u>SHARE CAPITAL</u>	(in Rupees)	
	As at 31-Mar-2015	As at 31-Mar-2014
Authorised:		
50,000 Equity Shares (P.Y. 50,000 Equity Shares) of Rs. 10 each	500,000	500,000
Total	500,000	500,000
Issued, Subscribed & Paid up:		
EQUITY SHARE CAPITAL		
50,000 Equity Shares (P.Y. 50,000 Equity Shares) of Rs. 10 each	500,000	500,000
Total	500,000	500,000

1 Term/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.

2 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

S No	Description	As at 31-Mar-15		As at 31-Mar-14	
		Equity Shares	Rupees	Equity Shares	Rupees
1	No of Shares outstanding at the beginning of the Year	50,000	500,000	50,000	500,000
2	Issued / Buyback	-	-	-	-
3	No of Shares outstanding at the end of the Year	50,000	500,000	50,000	500,000

3 All the Equity Share Capital are held by its Holding company i.e Aditya Birla Financial Services Limited (Formerly known as

Name of Share Holder	As at 31-Mar-15		As at 31-Mar-14	
	No of Shares held	% of total paid-up equity	No of Shares held	% of total paid-up equity
Aditya Birla Financial Services Limited (Formerly known as Aditya Birla Financial Services Private Limited)	50,000	100%	50,000	100%

4 Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of

Name of Share Holder	As at 31-Mar-15		As at 31-Mar-14	
	No of Shares held	% of total paid-up equity	No of Shares held	% of total paid-up equity
Aditya Birla Financial Services Limited (Formerly known as Aditya Birla Financial Services Private Limited)	50,000	100%	50,000	100%



Aditya Birla Financial Shared Services Limited

Notes to Financial Statements for the year ended 31st March 2015

	(in Rupees)	
	As at	As at
	<u>31-Mar-2015</u>	<u>31-Mar-2014</u>
NOTE: 3		
<u>RESERVES & SURPLUS</u>		
Surplus as per statement of Profit & Loss Account		
Opening Balance	802,986	122,947
(+) Net Profit for the current year	716,369	680,039
	<u>1,519,355</u>	<u>802,986</u>
NOTE 4		
<u>LONG-TERM BORROWINGS</u>		
<u>SECURED LOANS</u>		
Long term Maturities of Finance Lease Obligation	8,588,941	7,738,499
Taken from Hewlett Packard Financial Sales India Pvt. Ltd. against IT Repayment Terms : Between 1 - 20 Quarterly Instalments Amounting to Rs 85,88,941/- from 1st April 2015 till 1st August 2019 with interest ranging from 12.61% to 15.64% per annum		
	<u>8,588,941</u>	<u>7,738,499</u>
<u>UNSECURED LOANS</u>		
Loan taken from company other than from Bank	14,960,958	28,658,709
Taken from Hewlett Packard Financial Sales India Pvt. Ltd . a Repayment Terms : Between 1 - 20 Quarterly Instalments Amounting to Rs 149,60,958/- from 1st April 2015 till 1st August 2019 with interest ranging from 9.75% to 13.50% per annum		
	<u>14,960,958</u>	<u>28,658,709</u>
	<u>23,549,899</u>	<u>36,397,208</u>
Note : 5		
<u>Other Long Term Liabilities</u>		
Future lease rent liability	48,536	-
Deposit from Related Party	182,000	182,000
(Refer to Annexure 1)	<u>230,536</u>	<u>182,000</u>



Notes to Financial Statements for the year ended 31st March 2015

	As at 31-Mar-2015	(in Rupees) As at 31-Mar-2014
NOTE 6		
<u>LONG-TERM PROVISIONS</u>		
Provisions for Employee Benefits		
Gratuity (Funded)	3,151,623	1,744,666
Leave Encashment	3,199,412	2,754,379
	<u>6,351,035</u>	<u>4,499,045</u>

NOTE 7**TRADE PAYABLES**

Trade Payables	10,337,630	12,168,909
	<u>10,337,630</u>	<u>12,168,909</u>

Disclosure under Sec. 22 of MSMED Act, 2006

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, 2015. 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 8**OTHER CURRENT LIABILITIES**

Current Maturities of Finance Lease Obligations	5,749,026	8,303,855
Current Maturities of Loan from Other Company	13,697,749	20,761,005
Interest accrued but not due on borrowings	592,194	851,861
Interest accrued and due on borrowings	-	938,233
<u>Other Payables:</u>		
Withholding Taxes Payable	1,594,812	1,104,393
Service Tax Payable	1,503,781	2,241,119
Other Statutory Dues	502,240	388,798
Others	5,001,836	3,245,600
Payable to Related Party (Refer to Annexure 1)	58,820	-
	<u>28,700,458</u>	<u>37,834,864</u>

NOTE 9**SHORT-TERM PROVISIONS**

<u>Provisions for Employee Benefits</u>		
Leave Encashment	995,500	8,498
Gratuity (Funded)	-	22,683
Bonus	17,188,072	12,905,175
Deffered Compensation Benefit	414,636	-
	<u>18,598,208</u>	<u>12,936,356</u>



Aditya Birla Financial Shared Services Limited
Notes to Financial Statements for the year ended 31st March 2015
NOTE 10A

TANGIBLE ASSETS

	Computer & Servers	Furniture & Fixtures	Office Equipment	TOTAL
Gross Block				
As at 1 April 2013	51,888,638	261,981	47,840	52,198,459
Additions	1,996,924	-	-	1,996,924
Deletions/Adjustment	-	-	-	-
As at 31 March 2014	53,885,562	261,981	47,840	54,195,383
Additions	9,473,063	-	-	9,473,063
Deletions/Adjustment	-	-	-	-
As at 31 March 2015	63,358,625	261,981	47,840	63,668,446
Accumulated Depreciation				
As at 1 April 2013	26,053,126	148,444	32,944	26,234,514
For the year	12,082,392	52,392	7,296	12,142,080
Deletions/Adjustment	-	-	-	-
As at 31 March 2014	38,135,518	200,836	40,240	38,376,594
For the year	8,922,059	52,392	5,673	8,980,124
Deletions/Adjustment	-	-	-	-
As at 31 March 2015	47,057,577	253,228	45,913	47,356,718
Net book amount as at 31 March 2015	16,301,048	8,753	1,927	16,311,728
Net book amount as at 31 March 2014	15,750,044	61,145	7,600	15,818,788



NOTE 10B

INTANGIBLE ASSETS

	Specialised Software	TOTAL
As at 1 April 2013		
As at 1 April 2013	89,797,827	89,797,827
Additions	2,602,479	2,602,479
Deletions/Adjustment	-	-
As at 31 March 2014	92,400,306	92,400,306
Additions	4,862,762	4,862,762
Deletions/Adjustment	-	-
As at 31 March 2014	97,263,068	97,263,068
As at 1 April 2013		
As at 1 April 2013	51,401,286	51,401,286
For the year	18,298,328	18,298,328
Deletions/Adjustment	-	-
As at 31 March 2014	69,699,614	69,699,614
For the year	16,679,500	16,679,500
Deletions/Adjustment	-	-
As at 31 March 2015	86,379,114	86,379,114
Net book amount as at 31 March 2015	10,883,954	10,883,954
Net book amount as at 31 March 2014	22,700,692	22,700,692



Aditya Birla Financial Shared Services Limited

Notes to Financial Statements for the year ended 31st March 2015

	As at 31-Mar-2015	(in Rupees) As at 31-Mar-2014
NOTE 11		
<u>LONG-TERM LOANS & ADVANCES</u>		
(unsecured considered Good)		
Prepaid Expenses	53,267	336,322
Rent Deposit given to Employee	150,000	150,000
Security Deposits	2,018,899	1,708,399
Advance tax / TDS (net of provision of Tax Rs.4,33,870/- P.Y. Rs. 4,56,938/-)	30,369,592	28,482,533
	<u>32,591,758</u>	<u>30,677,254</u>
NOTE 12		
<u>CURRENT INVESTMENT</u>		
Investment in schemes of Mutual Fund (Valued at cost or fair value whichever is lower, Unquoted)		
1,341.883 Units (P.Y. :NIL Units) Birla Sun Life Cash Plus- Daily Dividend - Direct Plan- Reinvestment)	134,450	-
	<u>134,450</u>	<u>-</u>
NOTE 13		
<u>CASH & CASH EQUIVALENTS</u>		
Balances with Bank in Current Account	4,776,393	2,650,793
	<u>4,776,393</u>	<u>2,650,793</u>
NOTE 14		
<u>SHORT-TERM LOANS & ADVANCES</u>		
(Unsecured, Considered Good)		
Balance with Statutory/Government Tax Authorities	262,545	392,080
Prepaid expenses	11,108,872	12,291,237
Advance to Employees	20,000	100,000
Loan to Employee	-	28,886
	<u>11,391,417</u>	<u>12,812,203</u>
NOTE 15		
<u>OTHER CURRENT ASSET</u>		
(Unsecured, Considered Good)		
Reimbursement of expenses receivable from Related Part (Refer to Annexure 1)	13,697,421	20,011,638
	<u>13,697,421</u>	<u>20,011,638</u>



Aditya Birla Financial Shared Services Limited

Notes to Financial Statements for the year ended 31st March 2015

	(in Rupees)	
	Year Ended	Year Ended
	31-Mar-2015	31-Mar-2014
NOTE 16		
<u>OTHER INCOME</u>		
Dividend Income	136,628	-
Interest on Income Tax Refund	681,710	984,137
Interest on staff loan	1,990	-
	<u>820,328</u>	<u>984,137</u>
NOTE 17		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Salaries, Wages and Bonus	74,540,689	62,934,987
Contribution to Provident & Other Funds	6,666,647	3,665,048
Staff Welfare Expenses	2,334,882	2,176,846
	<u>83,542,218</u>	<u>68,776,881</u>
Less : Recovery as Professional Services Cost	(83,542,218)	(68,776,881)
	<u>-</u>	<u>-</u>
NOTE 18		
<u>FINANCE COST</u>		
Interest on Finance Lease Obligation	6,214,779	8,717,797
Less : Recovery as Professional Services Cost	(6,214,779)	(8,717,797)
	<u>-</u>	<u>-</u>
NOTE 19		
<u>DEPRECIATION AND AMORTISATION EXPENSES</u>		
Depreciation on Tangible Assets	8,980,124	12,142,080
Depreciation on Intangible Assets	16,679,500	18,298,328
	<u>25,659,624</u>	<u>30,440,408</u>
Less : Recovery as Professional Services Cost	(25,659,624)	(30,440,408)
	<u>-</u>	<u>-</u>



Aditya Birla Financial Shared Services Limited

Notes to Financial Statements for the year ended 31st March 2015

(in Rupees)

	Year Ended 31-Mar-2015	Year Ended 31-Mar-2014
NOTE 20		
<u>OTHER EXPENSES</u>		
Rent	5,178,449	5,387,647
Repairs & Maintenance (Others)	1,134,012	991,725
Insurance	791,779	805,844
Legal & Professional Charges	26,032,083	21,418,155
<u>Auditors Remuneration</u>		
-Audit Fees	120,000	120,000
-Tax Audit Fees	60,000	60,000
-Other Services	120,000	120,000
-Reimbursement of Expenses	16,965	14,164
Software & Support Expenses	33,502,226	29,705,345
Electricity charges	486,220	538,682
Printing & Stationery	795,089	783,404
Travelling & Conveyance	3,402,496	3,003,377
Communication Expenses	1,054,307	1,228,149
Security Expenses	401,663	340,695
Service Charges	177,844	210,218
Recruitment Expenses	237,772	89,210
Membership Expenses	1,101,106	189,818
Interest on TDS and Service Tax	541,758	-
Sundry Balances W/off	516,516	-
Miscellaneous Expenses	352,080	196,312
	<u>76,022,364</u>	<u>65,202,745</u>
Less : Recovery as Professional Services Cost	<u>(76,022,364)</u>	<u>(65,202,745)</u>
	<u>-</u>	<u>-</u>



Aditya Birla Financial Shared Services Limited

Notes to Financial Statements for the year ended 31st March 2015

	(in Rupees)	
	As at	As at
	31-Mar-2015	31-Mar-2014
NOTE 21		
<u>EARNING PER SHARE</u>		
Earnings per Share (EPS) is calculated as under:		
Net Profit as per Statement of Profit and Loss	716,369	680,039
Net Profit for EPS	716,369	680,039
Weighted average number of Equity Shares for calculation of Basic	50,000	50,000
- Basic EPS (Rs)	14.33	13.60
Diluted EPS		
- Diluted EPS (Rs)	14.33	13.60
Nominal Value of Shares (Rs.)	10	10



Notes Forming Part Of Financial Statements For The Year Ended 31st March, 2015 :

22. Employee Benefits

The Company has classified the various benefits provided to employees as under:

Defined Contribution Plans

Contributions to defined contribution plans recognized as expense for the year are as under:

(In Rupees)

Particulars	31-Mar-15	31-Mar-14
Employer's Contribution to Government Employee Provident Fund	2,246,361	1,937,997
Employer's Contribution to Government Employee Pension Fund	478,897	266,965

Defined Benefit Plan

Gratuity is payable to all eligible employees on superannuation, death or on separation / termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The following table sets out the funded status of the gratuity plan and unfunded status of paid leave encashment and the amounts recognized in the Company's financial statements as at 31 March 2015.

a) Change in present Value of Obligation

(In Rupees)

Particulars	31-Mar-15 Gratuity (funded)	31-Mar-14 Gratuity (Unfunded)
Present Value of Obligation as at 1st April 2014	1,767,349	1,252,324
Liability in respect of transfer employees	2,674,054	68,100
Interest Cost	222,421	108,935
Current Service Cost	1,127,507	698,590
Benefits Paid	(1,416,357)	(50,650)
Actuarial (Gain)/ loss on Obligation	908,425	(309,950)
Present Value of Obligation as at 1st April 2015	5,283,399	1,767,349
Present value of obligation, as at 31 March 2015	5,283,399	1,767,349
Fair value of plan assets as at 31st March 2015	2,131,776	NIL
Assets / (Liabilities) recognized in the Balance Sheet	(3,151,623)	(1,767,349)

b) Expenses recognized during the year

(In Rupees)

Particulars	31-Mar-15 Gratuity (Funded)	31-Mar-14 Gratuity (Unfunded)
Current Service Cost	1,127,507	698,590
Interest Cost	222,421	108,935
Expected return on plan assets	(80,719)	NIL
Net Actuarial (gain)/loss on plan Assets	(37,723)	NIL
Net Actuarial (gain)/loss to be recognised	908,425	(309,950)
Net Cost	2,139,911	497,575



c) Assumptions used in Accounting for the Gratuity Plan

Particulars	31-Mar-15	31-Mar-14
Mortality Rate	Indian Assures Lives (2006-08)	
Discount rate (p.a.)	8.00%	9.00%
Salary escalation rate (p.a)	8.00%	8.50%
Expected rate of return on plan assets (p.a)	8.50%	-

d) Experience Adjustments :

Particulars	(In Rupees)				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Present Value of Defined Benefit	5,283,399	1,767,349	1,252,324	691,420	394,783
Fair Value of Plan Assets	2,131,776	NIL	NIL	NIL	NIL
Surplus/(Deficit)	(3,151,623)	(1,767,349)	(1,252,324)	(691,420)	(394,783)
(Gain)/loss on Plan Liabilities	908,425	(309,950)	110,529	(108,527)	(105,854)

The Companies estimated contribution for next year Rs. 42,65,222/-

23. Related Party Disclosures under Accounting Standard 18:

During the year ended 31st March 2015, the Company has had transactions with related parties as defined in Accounting Standard 18 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of these parties with whom the Company has had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in Annexure 1.

24. Deferred Tax (Net)

Deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. During the year there is no deferred tax in the books.

25. Segment Information

The Company has single reporting segment i.e. to provide for common pool of facilities and resources identified to Aditya Birla Group Companies. As such, there are no separate reportable segments as per Accounting Standards 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

26. Contingent Liabilities And Commitments:

There are no contingent liabilities as at 31st March 2015. (Previous year :Rs : Nil)

Value of estimated contracts remaining to be executed on capital account not provided for is Rs. 65,02,640/- (Previous year: Rs. 11,18,750/-).

27. Assets acquired under finance leases

Fixed assets stated below as at 31st March 2015 have been acquired on finance lease.

Particulars	(In Rupees)		
	Cost	Accumulated	Net Book Value
Current Year (Rs)			
Computer & Servers	7,413,259	852,253	6,561,006
Software	-	-	-
Previous Year (Rs)			
Computer & Servers	1,712,500	263,917	1,448,583
Software	2,490,939	562,519	1,928,420



The lease rentals charged during the current year and the maximum obligations on finance leases payable at the balance sheet date, as per the rentals stated in the agreements are as follows:

Particulars	(In Rupees)	
	31-Mar-15	31-Mar-14
Lease payments made	37,568,064	33,974,239
Interest paid	7,541,312	8,190,379
Present Value of lease payments	30,048,180	25,783,860

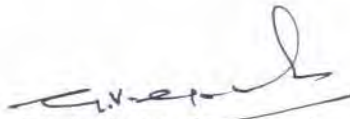
Particulars	(In Rupees)		
	Not Later than	Later Than	Later Than five
Minimum Lease payment outstanding	23,644,543	26,730,041	-
Future Interest Outstanding	4,466,653	3,377,577	-
Present Value of lease payments	19,266,645	23,549,960	-

28. Operating leases

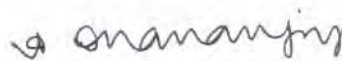
Particulars	(In Rupees)	
	31-Mar-15	31-Mar-14
A) Operating Lease payment recognised into Statement of Profit and Loss:	5,178,449	5,387,647
The Company has taken certain leasehold Improvements, Furniture & Fixtures and Office equipments on Non-cancellable operating lease.		
B) The future minimum lease rental payments in respect of non-cancellable operating lease are as follows:		
i) Not later than one year	3,235,752	3,810,289
ii) Later than one year and not later than five years	13,104,798	401,023
iii) Later than five years	-	-

29. Previous year's figures have been regrouped/rearranged to confirm to the current year's presentation, wherever necessary.

For and on behalf of the Board of Directors



G.V. Gopalakrishnan
Director



A Dhananjaya
Director



Place : Mumbai
Date : May 07, 2015



(A) Enterprises where control exists

Holding Company

Ultimate holding company

Aditya Birla Financial Services Ltd (Formerly known as Aditya Birla Financial Services Pvt. Ltd)

Aditya Birla Nuvo Ltd

Annexure : 1

Disclosures in respect of transactions with related parties and outstanding balances as at the year end : 31st March 2015

Sr. No.	Name of the related party with whom the transaction has been made	Description of Relationship with the party	Nature of Transaction	Year Ended 31st March 2015		Year Ended 31st March 2014	
				Transaction during the year	Amount Outstanding as recoverable / (payable)	Transaction during the year	Amount Outstanding as recoverable / (payable)
1	Aditya Birla Money Mart Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable. (service tax Rs.9,67,315/-) Reimbursement of Salary (Rs.3,258,793/-) Reimbursement of other Expenses (Rs.4,417,379/-) b) Reimbursement of expenses payable	8,096,302	1,194,414	7,879,763	3,932,411
2	Aditya Birla Capital Advisors Private Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable (service tax Rs. 69,508/-) Reimbursement of Salary (Rs.1,50,368/-) Reimbursement of other Expenses (Rs.4,11,998/-)	562,366	136,683	302,404	109,056
3	Aditya Birla Money Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable (service tax Rs. 1,449,618/-) Reimbursement of Salary (Rs.5,415,861/-) Reimbursement of other Expenses (Rs.4743589/-)	11,728,302	1,338,395	10,104,298	3,305,753
4	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable (service tax Rs. 6,57,348/-) Reimbursement of Salary (Rs.2,859,076/-) Reimbursement of other Expenses (Rs.2,450,329/-)	5,309,405	(58,820)	2,264,219	756,243
5	Aditya Birla Finance Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable (service tax Rs.2,572,169/-) Reimbursement of Salary (Rs.11,178,621/-) Reimbursement of other Expenses (Rs.11,382,343/-)	22,560,964	2,125,381	15,169,606	2,022,029
6	Birla Sun Life Insurance Company Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable. (service tax Rs. 11,935,345/-) Reimbursement of Salary (Rs.36,069,493/-) Reimbursement of other Expenses (Rs.61,899,046/-) b) Reimbursement of expenses Payable	97,968,539	3,680,937	102,397,187	7,717,029
7	Aditya Birla Customer Services Ltd (Formerly known as Aditya Birla Customer Services Pvt Ltd)	Fellow Subsidiary	a) Reimbursement of expenses receivable. (service tax Rs. 1,31,013/-) Reimbursement of Salary (Rs.3,97,200/-) Reimbursement of other Expenses (Rs.6,62,777/-)	1,059,977	113,200	1,276,646	359,163
8	Birla Sun Life Asset Management Company Limited	Fellow Subsidiary	a) Reimbursement of expenses receivable. (service tax Rs. 5,597,912/-) Reimbursement of Salary (Rs.18,147,922/-) Reimbursement of other Expenses (Rs.27,142,629)	45,290,551	4,851,278	32,633,000	1,468,569
9	Aditya Birla Financial Services Ltd. (Formerly known as Aditya Birla Financial Services Pvt. Ltd.)	Holding co.	a) Reimbursement of expenses receivable. (service tax Rs. 3,36,494/-) Reimbursement of Salary (Rs.2,537,876/-) Reimbursement of other Expenses (Rs.1,84,564/-) Deposit	2,722,440	257,134	1,387,684	341,385
					(182,000)	(182,000)	(182,000)

