

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the Fourteenth Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2016.

1. Financial Performance

The summarized standalone results of your Company given in the table below.

Particulars	Rs. in Cr	
	Financial Year ended	
	31/03/2016	31/03/2015
Total Income	101.48	77.06
Profit before Interest, Depreciation & Tax (EBITDA)	34.77	27.89
Depreciation	1.91	1.18
Provision for Income Tax (including for earlier years)	11.56	9.12
Net Profit After Tax	21.30	17.59
Profit brought forward from previous year	24.70	24.70
Transfer to General Reserve	2.13	1.76
Proposed final dividend on equity shares & tax thereon	19.16	15.82
Profit carried to Balance Sheet	24.71	24.70

*previous year figures have been regrouped/rearranged wherever necessary.

2. Business Performance

During the year, the net revenue from operations of your Company increased by 33%, from Rs 73.01 Crores to Rs. 96.78 Crores. The Premium placement by your Company increased by 43% from Rs. 1,132 Crores to Rs. 1,624 Crores during the year. The market share of your Company in non-life industry premium improved from 1.33% to 1.68%. For FY 2015-16, your Company's profit after tax stood at Rs. 21.30 Crores vis-à-vis Rs. 17.59 Crores in the previous year, registering a growth of 21%.

3. Reserves

During the year the Company generated profit after tax of Rs.21.30 Crores. The Company proposes to carry forward Rs. 2.13 Crores to the reserves.

4. Dividend

For the financial year ended 31st March, 2016, the Directors of your Company recommend for your consideration a dividend of Rs. 58.98 per equity share (previous year Rs. 48.67 per equity share)

The said dividend, if approved by the shareholders, would involve cash outflow of Rs. 19.16 Crores (including dividend distribution tax of Rs. 3.24 Crores) compared to Rs. 15.82 Crores (including dividend distribution tax of Rs. 2.68 Crores) paid for the year 2014-15.

5. Share Capital

The Authorised Share Capital of the Company is Rs. 3 Crore. The Paid-up, Issued and Subscribed Capital of the Company is Rs. 2.7 Crore as on March 31, 2016. There was no capital infusion during the year under review.

6. Management Discussion and Analysis

Overview of Global Economy

The global macroeconomic landscape is currently uncertain and characterized by weak global growth. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-averse behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress.

In light of this, 2015-16 was a year of adjustment and expectation management. Expectations of world GDP growth from many quarters have been below 3%. During the last year, we stumbled from one mini economic crisis to another in the form of either the Greek debt crisis or the Chinese devaluation and then the commodity crash. Although; we have seen a patchy recovery in the equity and commodity market in January-February this year, this can be attributed to the NIRP (Negative Interest Rate Policy) regime implemented by BoJ and the ECB, aided by the reduced expectation of rate hike by Fed. The faith in such a recovery seems limited at this point and that is getting manifested in continued downturn in most commodity prices.

Brief on Indian economic performance including growth, CAD, FD, key reforms and outlook for next year FY16:

It was a volatile year for our markets. While policy rates eased, inadequate transmission created trouble and credit markets came under some stress. We saw policy rates ease by 75bps in FY16 and expect the easing cycle to continue in FY17 through the use of both- rate cuts and better transmission measures.

Continued moderation in CPI inflation was another highlight of the year gone by. As RBI more than achieved its target CPI of 6% by Jan 2016, they continued with the monetary easing cycle that started in

Jan 2015. Contained food inflation, low global commodity prices and persistent output gap were the key drivers of well-behaved inflation.

Adherence to fiscal consolidation was also a welcome move. The government managed to stick to the targeted fiscal deficit of 3.9% of GDP in FY16 as more than budgeted indirect tax revenues came to bridge the gap created by divestment shortfall. In FY17 also, fiscal discipline continued as the government stuck to the targeted 3% of GDP as fiscal deficit. While there is some scepticism with respect to the ambitious non tax revenue target, the indirect tax receipts may continue to make up for the slippage if any.

Outlook on inflation and rates and currency

After the large gains seen in CPI in FY15, the inflation has been relatively stable during the past year. It saw a high of 5.7% and a low of 3.7% during year. As of now, its core CPI (CPI excluding food, fuel and petrol/diesel) inflation, which is attracting attention from both the RBI and other economy observers

After about 18 months of deflation, WPI has finally turned positive in April 2016. We expect WPI to stay positive in FY17, both on account of favorable base effects waning and sequential increase in prices (both naturally and administered- read- import duty increase et al).

With global commodity prices having stabilized at these levels and in fact some of the commodities having seen decent uptick from lows we can see WPI picking up gradually over the year thus narrowing the gap between WPI and CPI in FY17.

A direct impact of well-behaved inflation over the medium term is that the natural rate of currency depreciation is expected to taper. One of the key concerns of a foreign investor investing in Indian markets is the currency volatility which did in fact eat away most gains in the last 5 years. This is unlikely to repeat in the medium term as inflation differentials with trading partners are expected to narrow down.

Outlook on domestic growth

By far the strongest driver of growth in India is private consumption. The consumption indicators being used to estimate growth such as car and utility vehicle sales, petrol demand, uptake of personal loans, telecom subscriber base and passengers transported by airlines are all pointing to a strong and sustained revival in consumption.

This could be further augmented in FY17 by the 7th Pay Commission and better than average monsoon post two consecutive drought years. India's demographics could therefore ensure the consumption led growth will remain supported.

In light of the above, the multiple reforms being implemented by the government are a step in the right direction. But India cannot stay immune to the global business cycles and domestic structural shifts. Our assessment is that while India would continue to prosper at a superior pace versus the world, the government would need to push our so that growth can cross the 8% levels.

Outlook on earnings growth and equity market

On the earnings front, for the past six years, the market participants have been expecting strong earnings growth at the beginning of the year only to downgrade steeply by the end of the year. In FY16 also, earnings were expected to grow in high double digits only to see a revision to single digit growth after two quarters. Going into FY17, these factors could reverse. It was the fourth time in 115 years that we have seen back to back monsoon failure and there has never been a triple monsoon failure. As predicted by IMD India is expected to receive above normal rainfall in 2016. As WPI inflation picks up, the deflator is expected to rise thus uplifting the nominal growth rate. Under the new liquidity framework, we also expect better transmission of rate cuts facilitated by change in MCLR guidelines. With these in mind, we expect that the trend could reverse in FY17 to clock earnings growth of 15% with a high degree of probability. With reasonable valuations and earnings growth, Indian markets provide an opportunity for sustainable long term wealth creation.

Globally, broking channel is a dominant channel in non-life insurance and brokers have been adapting to changes in customer needs to maintain their relevance. This includes maintaining highest standards of professionalism, evolving their operating model, expanding service offerings, creating niche and new markets, focusing on technology and operational efficiency, and exploring new avenues of growth including acquisition among others.

The relevance of the broking channel in global markets has also been supported by the regulatory landscape, which seems to be evolving in serving customers' needs. Many mature insurance markets offer flexibility to brokers in terms of remuneration, service offerings and operating model including sub-broking among others so that they serve as an important instrument for meeting risk management needs of customers.

Insurance broking is the only channel, which represents customers and not insurers. This unique role of the broking channel is recognized by the regulator, insurers and customers. Broking registered the highest CAGR of 27.7% between FY10 and FY15 among the major channels in non-life insurance. The channel contributed around Rs. 19,300 crores of gross direct premium in FY15 resulting in 23.2% of the non-life insurance premium. Similarly, gross direct premium from the broking channel is expected around Rs. 22,100 crores for FY 16 and a similar 23% share of non-life premium. However, the channel is still evolving and needs to meet risk management requirements of customers comprehensively.

The Indian insurance industry is the fifteenth-largest insurance industry in the world with total premium of more than Rs. 400,000 crores in Financial Year 15. It ranks 11th in the world in the life insurance segment and 20th in the world in the non-life segment. The sheer size and growth potential due to low penetration and growing economy makes it one of the most attractive investment opportunities. However, penetration and density have remained low, indicating the need to address challenges, which impede growth. The Global markets have been very soft and so the General Insurance Industry is expected to grow conservatively by 10% as compared to last year. However, in case of an uptick in the Indian economy, the growth rate could be as much higher around 17% YoY.

At the Company level, various initiatives have been implemented for promotion and growth of Motor insurance business and emphasis is laid on enhancing Non-Group business by targeting large corporate clients.

7. Corporate Governance

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

8. Board meetings

During the year, four (4) meetings of Board of Directors of your Company were held and convened, details of which are given below:

Date of the meeting	No. of Directors attended the meeting
April 28, 2015	4
July 28, 2015	3
October 28, 2015	3
February 2, 2016	3

9. Subsidiaries

Your Company does not have any subsidiary, at present.

10. Public Deposits

During the year under review, the Company has not accepted any deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

11. Significant and material orders passed by the Regulators / Courts / Tribunals

From Corporate Tax perspective, apart from Industry based tax litigations, revenue authorities or tribunal or court, have not passed any order impacting going concern status of the organization.

12. Details about adequacy of Internal Financial Controls

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Your Management has put in place adequate financial control.

13. Particulars of loans, guarantees or investments under section 186

The details of inter-corporate loans, guarantees and investment under section 186 of the Companies Act, 2013, read with rules made there under, forms a part of notes to the Audited Financials for the Financial Year 2015-16.

14. Risk Management Framework

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Framework and the Board reviews the same periodically.

15. Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014 and any other modifications made thereunder, your company has constituted a Corporate Social Responsibility Committee and also framed a Corporate Social Responsibility Policy. The said policy has been uploaded on your Company's website www.adityabirlainsurancebrokers.com.

The required disclosure as per rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms a part of the Directors Report as Annexure II.

16. Related Party Transactions

During the financial year, your Company entered into related party transactions which were on arm's length basis and in the ordinary course of business. There are no material transactions with any related party as defined under Section 188 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions have been approved by the Audit Committee of your Company.

The details of transactions that were entered into during the Financial Year with the Related Parties are disclosed under Significant Accounting Policies and Notes to Accounts for the Financial Year 2015-16.

17. Cost Audit

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

18. Conservation of Energy, Technology Absorption and Foreign exchange earnings and Outgo

The requirement of disclosures in terms of conservation of energy, technology absorption is not applicable to the Company due to the very nature of the industry in which it operates.

During the year, the total foreign exchange used was Rs. 33 Lacs and the total foreign exchange earned was Rs. 195 Lacs.

19. Directors

As on date, your Board of Directors comprises of 5 Directors including 1 Independent Director.

In accordance with the provisions of Article 120 of the Articles of Association of your Company read with applicable provisions of Companies Act, 2013, Mr. Ajay Srinivasan, Director of your Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible offers himself for re-election. Your Directors recommend his re-election as Director, liable to retire by rotation.

The detail of composition of the Board of Directors is as under:-

r. No.	Name of the Committee member	Member
1	Mr. M M Bhagat	Independent Director
2	Mr. Adesh Gupta	Non-Executive Director
3	Mr. Ajay Srinivasan	Non-Executive Director
4	Mr. Askaran Agarwala	Non-Executive Director

5	Mr. Sushil Agarwal	Non-Executive Director
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Mr. M M Bhagat has given a declaration that he meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Board meetings and attendance of directors

During the FY 2015-16, Four Board meetings were held as below:

- 1) April 28, 2015
- 2) July 28, 2015
- 3) October 28, 2015
- 4) February 2, 2016

Total 4 (Four) Board meetings were held during the FY 2015-16 and the attendance of the Directors at the Board meetings and at the last Annual General Meeting are given table below:

Sr. No.	Name of Directors	No. of Board meetings held during the FY 2015-16		Last AGM attendance
		Held	Attended	(Yes / No)
1	Mr. Adesh Gupta	4	3	No
2	Mr. Ajay Srinivasan	4	4	No
3	Mr. A. K. Agarwala	4	3	No
4	Mr. M. M. Bhagat	4	1	No
5	Mr. Sushil Agarwal	4	2	No

(i) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

(ii) Managerial Remuneration

Presently there are no Executive Directors on the Board of your Company.

20. Committees of Board

Following are the Committees of the Board of Directors:-

- Audit Committee

Details of attendance of the Members is as below:

Date of the meeting	No. of Members attended the meeting
April 28, 2015	3
July 28, 2015	2
October 28, 2015	2
February 2, 2016	2

- Corporate Social Responsibility Committee

Details of attendance of the Members is as below:

Date of the meeting	No. of Members attended the meeting
September 1, 2015	2
February 26, 2016	2

21. Audit Committee

The Audit Committee of your Company was formed in October 2013, which comprised of below Members:

Sr. No.	Name of the Committee member	No. of Audit Committee meetings held during the FY 2015-16	
		Held	Attended
1	Mr. Adesh Gupta	4	3
2	Mr. Ajay Srinivasan	4	4
3	Mr. Sushil Agarwal	4	2

All members of the Audit Committee are financially literate and have the necessary accounting and related financial management expertise.

The Chief Executive Officer, Head- Risk & Compliance, the Internal Auditors and the Statutory Auditors of the Company are invited for each of the Audit Committee meeting of the Company.

22. Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, your company has constituted a Corporate Social Responsibility Committee and also framed a Corporate Social Responsibility Policy. The said policy has been uploaded on your Company's website www.adityabirlainsurancebrokers.com.

The CSR Committee is comprised of below Members:

Sr. No.	Name of the Committee member	No. of Audit Committee meetings held during the FY 2015-16	
		Held	Attended
1	Mr. M M Bhagat	2	0
2	Mr. Ajay Srinivasan	2	2
3	Mr. Askaran Agarwala	2	2

The required disclosure as per rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms a part of the Directors Report as Annexure 2.

23. Internal Audit Framework

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

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

The internal audit is carried out by external service providers and in-house internal audit team.

The audit plan is approved by the Audit Committee, which regularly reviews compliance to the plan.

Internal Audit Process followed by the Company is as follows:

- Establish and communicate the scope and objectives for the audit to the management
- Develop an understanding of the business area under review. This involves review of documents and interviews
- Identify control procedures used to ensure each key transaction type is properly controlled and monitored
- Develop and execute a risk-based sampling and testing approach to determine whether the key controls are operating as intended
- Key audit findings and recommendations made by the auditors are reported to the Audit Committee of the Company
- Monitor the implementation of audit recommendations and ensure periodic reporting to the Audit Committee

The audit findings are used as a key input in the risk management process and all the key risks of the Company are mapped to the audit processes to ensure a risk- based audit approach.

Ongoing monitoring is performed as an integral part of the day to day supervision, review and measurement of internal audit activity.

24. Human Resources

Your company has 322 employees as on March 31, 2016. The Company commends the commitment, dedication and competence shown by its employees in all aspects of business. With the growing requirements of the Company, HR has taken various initiatives to ensure not only the retention of the employees but also their growth and development. It has a structured induction process, robust talent management process & systems, Employee Value Proposition – "World of Opportunities" and structured Training & Developing programmes across all the levels along with a thorough Rewards & Recognition Framework to celebrate valued behavior and competencies.

25. Particulars of Employees as required as per the Companies Act, 2013 and forming part of Directors Report for the year ended as on 31st March 2016.

A) Employees who were employed throughout the financial year and were in receipt of remuneration in aggregate of not less than Rs.60,00,000/- per annum.									
Name	Designation	Remuneration (Rs.)	Qualifications	Age (Years)	Experience (Years)	Date of joining the Company	Details of Previous Employment		
							Name of Employer	Designation	Period of Service (Years)

Dr. Sandeep Vasant Dadia	CEO	1,73,97,772/-	MBBS	45 Yrs	14 Yrs	19-Apr-2011	Enam Insurance Brokers Pvt. Ltd.	Director	April 2006 to April 2011
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B) Employees who were employed for a part of the Financial Year and were in receipt of remuneration in aggregate of not less than Rs.5,00,000/- per month.

Name	Designation	Remuneration (Rs.)	Qualifications	Age (Years)	Experience (Years)	Date of joining the Company	Details of Previous Employment		
							Name of Employer	Designation	Period of Service (Years)
NIL									

Notes:

1. Remuneration includes salary, allowances, medical benefits, Company's contribution to Provident Fund and Superannuation Fund, wherever applicable, leave encashment, and leave travel assistance and monetary value of taxable perquisites.
2. None of these Executives are related to any Director of the Company.
3. Appointment is non contractual, other terms and conditions are as per rules of the Company.

26. Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

During the year under review, Ms. Priyanka Jain (A41411), was appointed as a Company Secretary for your Company in the Meeting of Board of Directors held on February 2, 2016.

27. Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company has a Whistle Blower Policy in place providing a platform to all the employee, vendors and customers to report any suspected or confirmed incident of fraud/misconduct through any of the determined reporting protocols. The policy is also hosted on the website of your Company.

28. The Sexual Harassment of the Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company at Aditya Birla Financial Service Group has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Compliant Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16

- No. of complaint received : NIL
- No. of complaint disposed off: Not applicable

29. Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) your directors have prepared the annual accounts on a going concern basis; and
- (e) your directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. Key Managerial Personnel

In terms of provisions of Section 203 of the Companies Act, 2013, read with rule made thereunder, Ms. Priyanka Jain (A41411), is the Company Secretary and Key Managerial Personnel of your Company as appointed in the Meeting of Board of Directors held on February 2, 2016.

31. Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed as Annexure 1.

32. Statutory Auditors, their Report and Notes to Financial Statements

M/s. S. R. Batliboi & Associates LLP., Statutory Auditors (Firm Registration No. 101049W) appointed at 12th AGM, hold office until the conclusion of the ensuing fifth AGM of the Company. The Company has received a certificate of eligibility from M/s. S. R. Batliboi & Associates LLP., to the effect that their appointment, if made, would be within the limits prescribed under Section 139(1) of the Companies Act, 2013. The auditors have further certified that they have subjected themselves for the peer review process of the Institute of Chartered Accountants of India (ICAI) and they hold a valid certificate issued by the "Peer Review Board" of ICAI.

Further, the report of the Statutory Auditors alongwith notes to Schedules is enclosed to Financials. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

33. Secretarial audit

In terms of Section 204 of the Companies Act, 2013, and Rules made there under, Secretarial Audit is not applicable to the Company.

34. Other Disclosures

- There were no material changes and commitments affecting the financial position of your Company between end of financial year and the date of report.

Further, the report of the Statutory Auditors alongwith notes to Schedules is enclosed to Financials. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

33. Secretarial audit

In terms of Section 204 of the Companies Act, 2013, and Rules made there under, Secretarial Audit is not applicable to the Company.

34. Other Disclosures

- There were no material changes and commitments affecting the financial position of your Company between end of financial year and the date of report.
- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements from the end of the Financial Year to date of the Directors Report.
- Your Company has not issued any sweat equity shares.
- There was no change in the nature of business.

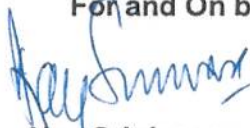
35. Acknowledgement

The Board places on record its sincere appreciation of the hard work, professionalism, team work and relentless pursuit of excellence shown by its employees at all levels and also the shareholders for their copious support, guidance and cooperation.

The Board also places on record its appreciation to banks, business associates and insurance companies for their support and cooperation.

The Board also expresses its gratitude to the support and advice received from IRDAI and other statutory authorities from time to time.

For and On behalf of the Board of Directors


Ajay Srinivasan
Director


Askaran Agarwala
Director

Place: Mumbai

Date:



Annexure 1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016
of
Aditya Birla Insurance Brokers Limited

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	U99999GJ2001PLC062239
Registration Date	:	December 26, 2001
Name of the Company	:	Aditya Birla Insurance Brokers Limited
Category / Sub-Category of the Company	:	Company having Share Capital
Address of the Registered Office	:	Indian Rayon Compound , Veraval , Gujarat -- 362266, India
Contact details	:	Phone: (02876)248629
Whether listed company	:	No
Name, Address of Registrar & Transfer Agents (RTA), if any	:	Link Intime India Private Limited. C-13, Pannalal Silk Mills Compound. L.B.S. Marg., Bhandup [West]. Mumbai 400 078.
Contact details	:	Phone: 022 – 25963838.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	Insurance Brokerage and Risk Advisory Services Income	NOT APPLICABLE	94.74%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No.	Name and address of the Company	CIN/GLN	holding / subsidiary / associate	shares held	pplicable action
1	Aditya Birla Financial Services Ltd, at Indian Rayon Compound, Veraval Gujarat	67120GJ2007PLC058890	olding	0.002	u/s 2(46)

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year %	% Change during the year
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	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	225	-	.008	-	225	-	.008	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	26,99,775			99.992	26,99,775			99.992	
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	2699775	25	2700000	100	2699775	25	2700000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
(a) NRIs - Individuals									
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other									
Sub-total (A)(2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2699775	25	2700000	100	2699775	25	2700000	100	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
(a) Mutual Funds									
(b) Banks / FI									
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian									
(ii) Overseas									
(b) individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									

(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
(c) Others (specify)									
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2699775	225	2700000	100	2699775	225	2700000	100	0

(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Infocyper India Pvt Ltd	13,49,946	49.998	-	13,49,946	49.998	-	0.00
2.	Aditya Birla Financial Services Limited (ABFSL)	13,49,829	49.994	-	13,49,829	49.994	-	0.00
3	ABFSL Jtly with Mr. Sanjay Kumar Dhanuka	45	0.0000166	-	0	0	-	0.0000166
4	ABFSL Jtly with Mr. P T Desai	45	0.0000166	-	0	0	-	0.0000166
5	ABFSL Jtly with Mr. S S Pareek	45	0.0000166	-	0	0	-	0.0000166
6	ABFSL Jtly with Mr. Shriram Jagetiya	45	0.0000166	-	0	0	-	0.0000166
7	ABFSL Jtly with Mr. Manoj Shah	45	0.0000166	-	0	0	-	0.0000166
8	Mr. Rajesh Shah *	0	0	-	10	0.0000037	-	0.0000037
9	Mr. Rakesh Gupta*	0	0	-	10	0.0000037	-	0.0000037
10	Mr. Nirmal Mehta *	0	0	-	10	0.0000037	-	0.0000037
11	Mr. Ashok Malu *	0	0	-	10	0.0000037	-	0.0000037
12	Mr. R C Sharma *	0	0	-	10	0.0000037	-	0.0000037
13	Mr. Deepak Tripathi *	0	0	-	10	0.0000037	-	0.0000037
14	Mr. Goverdhan Gupta*	0	0	-	10	0.0000037	-	0.0000037
15	Mr. Naresh Jajoo *	0	0	-	10	0.0000037	-	0.0000037
16	Mr. Dinesh Jain *	0	0	-	10	0.0000037	-	0.0000037
17	Mr. Gopal Pamnani *	0	0	-	10	0.0000037	-	0.0000037
18	Mr. Manoj Shah*	0	0	-	55	0.000020	-	0.000020
19	Mr. Shriram Jagetiya *	0	0	-	25	0.0000093	-	0.0000093
20	Mr. S S Pareek *	0	0	-	55	0.000020	-	0.000020
		27,00,000	100	-	27,00,000	100	-	0.008

* Nominee of Aditya Birla Financial Service Limited (ABFSL)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No change during the year			
	Date wise increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the end of the year	No change during the year			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Infocyber India Pvt Ltd	13,49,946	49.998	13,49,946	49.998
2.	Aditya Birla Financial Services Limited (ABFSL)	13,49,829	49.994	13,49,829	49.994

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness

	deposits			
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition • Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		---	---	---	---	
	Gross salary	NIL	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under					
	Stock Option	NIL	NIL	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL	NIL	NIL
	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount

1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Mr. M M Bhagat	50,000/-
Total (1)	Mr. M M Bhagat	50,000/- as sitting fees
2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	NIL	NIL
Total (2)	NIL	NIL
Total (B)=(1+2)	Mr. M M Bhagat	50,000/-
Total Managerial Remuneration	Mr. M M Bhagat	50,000/-
Overall Ceiling as per the Act		NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	76,621*	NIL	76,621*
	Stock Option	NIL	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL	NIL
	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	76,621	NIL	76,621

Appointment of Company Secretary is effective from February 2, 2016 and salary is with that effect only

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
1. COMPANY					
Penalty	NIL				
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
2. DIRECTORS					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
2. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure 2

REPORT ON CSR ACTIVITIES/ INITIATIVES [Pursuant to Section 135 of the Act & Rules made thereunder]

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs.

For us in the Aditya Birla Group, reaching out to underserved communities is part of our DNA. We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

Our vision is - "to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker and marginalized sections of society and raise the country's human development index".

- Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development.

Implementation process:

Identification of projects - All projects are identified in consultation with the community in a participatory manner, literally sitting with them and gauging their basic needs. We recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, and other stakeholders, projects are prioritized.

Arising from this our focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing social causes. All of our community projects/programmes are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development. Our activities are in line with Schedule VII of the companies Act, 2013.

Your Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013, which is accessible from our Company's website. (www.adityabirlainsurancebrokers.com)

2. The Composition of the CSR Committee.

- a) Mr. M. M. Bhagat - Independent Director & Chairman of the Committee
- b) Mr. Askaran Agarwala – Director
- c) Mr. Ajay Srinivasan - Director

Permanent Invitees:

- a) Mrs. Rajshree Birla – Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development;
- b) Dr. Mrs. Pragnya Ram -- Group Executive President, Corporate Communications and CSR;
- c) Dr. Sandeep Dadia – Chief Executive Officer of the Company

3. Average net profit of the company for last three financial years : Rs. 21.44 Crores

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) – Rs. 0.43 Crores

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year - **Rs. 0.43 Crores**

(b) Amount unspent, if any – **NIL**

(c) Manner in which the amount spent during the financial year is detailed below –

CSR project or activity undertaken	Sector in which the Project is covered	Projects or Programs (1) Local area or other (Specify the State or district where the Projects or programs was undertaken)	Amount outlay (budget) Project or programs wise	Amount spent on the Project or programs Sub heads (1) Direct Expenditure on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing Agency*
Sports NGO – Go Sports Foundation	Olympics & Paralympics	Across India	Rs. 0.43 Crores	Rs. 0.43 Crores	Rs. 0.43 Crores	Rs. 0.43 Crores

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the financial year 2015-16, key projects were identified as part of the Company's CSR initiatives. The budgeted expenditure for Company's CSR projects viz Sports (NGO – Go Sports Foundation through Rahul Dravid Mentorship Programme) has been spent fully in the financial year 2015-16.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Insurance Brokers Limited

Report on the Financial Statements

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

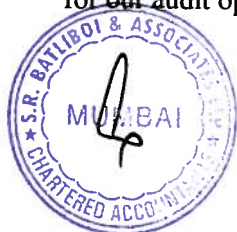
Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2016, 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 (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 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 (B) (2) 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.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Amit Kabra

Partner

Membership Number: 094533

Place of Signature: Mumbai

Date: 5 May 2016



Annexure 1 referred to in paragraph 1 of Report on Legal and Regulatory requirements on our report of even date

- (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 the 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 of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company is engaged in the business of insurance broking and advisory services and therefore the provisions clause (ii) of paragraph 3 of the said Order are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the information and explanations given to us, the Company has not granted / taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), 3 (b) and 3 (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, provisions of section 185 of the Companies Act, 2013 are not applicable to the Company since there are no loans to directors including entities in which they are interested. The Provisions of section 186 of the Companies Act 2013 in respect of loans and advances given have been complied with by the company. There are no investments made and, guarantees, and securities given that are covered within the ambit of section 186.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, 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, service tax, cess and other material statutory dues applicable to it. The provisions related to investor education and protection fund, sales-tax, wealth-tax, customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to investor education and protection fund, sales-tax, wealth-tax, customs duty and excise duty are not applicable to the Company.

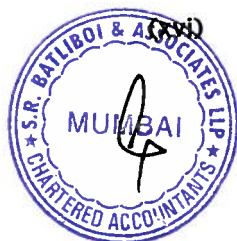


- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs.285,763	2006-2007	Income Tax Appellate Tribunal (ITAT)*

*ITAT has restored back the matter to the file of Assessing Officer.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks, government or debenture holders.
- (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 / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.



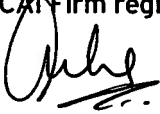
S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

For S. R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per **Amit Kbra**

Partner

Membership No.: 094533

Place: Mumbai

Date: 5 May 2016



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADITYA BIRLA INSURANCE BROKERS 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 Insurance Brokers Limited

We have audited the internal financial controls over financial reporting of Aditya Birla Insurance Brokers Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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.

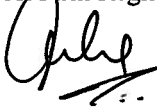
Opinion

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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: Mumbai

Date: 5 May 2016



ADITYA BIRLA INSURANCE BROKERS LIMITED

Balance Sheet as at March 31, 2016

Particulars	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
Equity and liabilities:			
(A) Shareholders' funds			
Share capital	1	2,70,00,000	2,70,00,000
Reserves and surplus	2	31,70,28,849	29,57,32,020
Total - (A)		34,40,28,849	32,27,32,020
(B) Non-current liabilities			
Other long-term liabilities	3	1,83,290	1,39,946
Other long-term provisions	4	-	1,27,45,085
Total - (B)		1,83,290	1,28,85,031
(C) Current liabilities			
Trade payables	5	17,18,82,555	10,56,96,445
Other current liabilities	6	5,27,46,563	41,67,512
Short-term provisions	7	23,52,37,822	18,19,26,113
Total - (C)		45,98,66,940	29,17,90,070
Total - (A+B+C)		80,40,79,079	62,74,07,121
Assets:			
(D) Non-current assets			
Fixed assets:			
Tangible assets	8A	2,08,53,946	2,04,75,428
Intangible assets	8B	2,34,04,571	1,12,92,304
Capital work-in-progress		-	12,86,948
Intangible assets under development		87,21,494	52,84,377
		5,29,80,011	3,83,39,057
Deferred tax assets (Net)	9	2,00,84,700	27,11,300
Long-term loans and advances	10A	1,53,31,027	1,61,74,265
Other non-current assets	11	1,09,78,099	1,01,61,917
Total - (D)		9,93,73,837	6,73,86,539
(E) Current assets			
Current Investments	12	8,97,38,306	4,76,58,335
Trade receivables	13	10,60,43,412	7,52,14,378
Cash and bank balances	14	6,47,46,213	1,60,71,703
Short-term loans and advances	10B	44,41,77,311	42,10,76,166
Total - (E)		70,47,05,242	56,00,20,582
Total - (D+E)		80,40,79,079	62,74,07,121

Significant accounting policies and other notes to accounts

20

Notes referred above form an integral part of the financial statements

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm Registration No. : 101049W/E300004
Chartered Accountants

Per Amit Kabra
Partner
Membership No: 094533
Place: Mumbai
Date: May 05, 2016



For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

[Signature]
Director

[Signature]
Director

Place: Mumbai
Date: May 05, 2016



ADITYA BIRLA INSURANCE BROKERS LIMITED

Statement of Profit and Loss the year ended March 31, 2016

Particulars	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
Continuing operations:			
(A) Revenue			
Revenue from operations	15	96,78,11,706	73,00,52,341
Other income	16	4,69,98,125	4,05,26,585
Total (A)		1,01,48,09,831	77,05,78,926
(B) Expenses			
Employee benefits expenses	17	33,64,86,932	28,46,84,868
Other expenses	18	33,05,97,243	20,70,07,601
Total (B)		66,70,84,175	49,16,92,469
Earning before interest, tax, depreciation and amortization (EBITDA)			
(A-B)			
		34,77,25,656	27,88,86,457
Depreciation and amortization expenses	19	1,91,17,967	1,18,03,396
Profit before exceptional items and tax		32,86,07,689	26,70,83,061
Exceptional items		-	-
Profit before tax		32,86,07,689	26,70,83,061
Tax expenses:			
Current tax		13,31,00,438	8,64,69,500
Income tax for prior years		(87,641)	(6,73,485)
Deferred tax charge - (Net)		(1,73,73,400)	53,71,700
Total tax expenses		11,56,39,397	9,11,67,715
Profit/(Loss) for the year from continuing operations		21,29,68,292	17,59,15,346
Basic and diluted earnings per share		78.88	65.15
Nominal value per share		10	10

Significant accounting policies and other notes to accounts

20

Notes referred to above form an integral part of the financial statements

As per our report of even date

For **S.R Batliboi & Associates LLP**
ICAI Firm Registration No. : 101049W/E300004
Chartered Accountants

Per **Amit Kabra**
Partner
Membership No: 094533
Place: Mumbai
Date: May 05, 2016



For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

[Signature]
Director

[Signature]
Director

Place: Mumbai
Date: May 05, 2016



ADITYA BIRLA INSURANCE BROKERS LIMITED

Cash flow statement for the period ended March 31, 2016

Particulars	March 31, 2016		March 31, 2015	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Profit before tax and extraordinary items		32,86,07,689		26,70,83,061
Adjustments for non-cash items:				
Depreciation	1,91,17,967		1,18,03,396	
Adjustment for:				
Provision for leave encashment	(19,54,755)		32,27,811	
Provision for deferred employees benefits	2,59,94,112		(38,96,493)	
(Gain) / Loss due to foreign exchange	2,22,393		3,91,712	
(Profit)/ Loss on sale of fixed asset	28,992		63,098	
(Gain) /Loss on sale of investments	(49,29,971)		(9,83,335)	
Interest income	(4,17,52,423)	(32,73,685)	(3,95,43,250)	(2,89,37,061)
Operating profit before working capital changes		32,53,34,004		23,81,46,000
Movement in working capital:				
(Increase)/decrease in current assets	(3,45,54,860)		32,24,15,915	
Increase/(decrease) in current liabilities	11,05,26,831	7,59,71,971	(7,10,00,600)	25,14,15,315
Movement in other non-current assets/liabilities and provisions:				
(Increase)/Decrease in rental and other security deposits	8,43,238		(8,44,557)	
Increase/(Decrease) in other long-term liabilities and provisions	(1,27,01,741)	(1,18,58,503)	79,45,070	71,00,513
Cash generated from operations		38,94,47,472		49,66,61,828
Less: Dividend paid on equity shares		13,14,09,000		9,99,00,000
Less: Direct taxes paid		12,23,88,116		6,24,53,132
Less: Tax paid on equity dividend		2,67,51,780		1,69,78,005
Net cash flow in operating activities		10,88,98,576		31,73,30,691
B. Cash flow from Investing activities				
Purchase of tangible fixed assets		(93,61,086)		(1,14,15,147)
Purchase of Intangible fixed assets		(2,53,62,843)		(1,22,25,085)
Net proceed from sale of tangible fixed assets		9,36,017		42,887
Investments in mutual funds units		(1,03,37,00,000)		(30,22,00,000)
Proceed from sale of Investments in mutual fund units		99,65,49,999		25,55,25,000
Gain/(loss) due to foreign exchange		(2,22,393)		(3,91,712)
Interest received		4,29,90,914		3,90,37,069
Fixed deposits placed with banks		(20,54,672)		-
Intercompany deposits received back during the year		10,00,00,000		-
Intercompany deposits placed during the year		(13,00,00,000)		(29,00,00,000)
Net cash flow in investing activities		(6,02,24,066)		(32,16,26,988)
C. Cash flow from financing activities				
Net Increase/(decrease) in cash and cash equivalents (A+B+C)		4,86,74,510		(42,96,297)
Cash and cash equivalents (opening balance)		1,60,71,703		2,03,68,000
Cash and cash equivalents (closing balance)		6,47,46,213		1,60,71,703
Net increase/(decrease) as disclosed above		4,86,74,510		(42,96,297)

Notes to cash flow statement:
1 Cash and cash equivalents include

 Cash in hand
 Balances with banks

6,47,46,213	1,60,71,703
<u>6,47,46,213</u>	<u>1,60,71,703</u>

2 Bank balance in current accounts includes Rs 4,35,51,186 (Previous Year Rs. 79,63,048) held by the Company in fiduciary capacity on behalf of insurers/reinsurers. A corresponding Liability for the same is included in sundry creditors.

3 Previous years figures have been regrouped and rearranged wherever necessary

As per our report of even date

 For S.R. Batliboi & Associates LLP
 ICAI Firm Registration No.: 101049W/E300004
 Chartered Accountants

 Per Amit Kabra
 Partner
 Membership No:094533
 Place: Mumbai
 Date: May 05, 2016


For Aditya Birla Insurance Brokers Limited

Director

Director

 Place: Mumbai
 Date: May 05, 2016


ADITYA BIRLA INSURANCE BROKERS LIMITED
Notes forming part of Balance Sheet
Note 1: Share capital

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Authorized share capital: 30,00,000 equity shares of Rs. 10 each	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000
Issued, subscribed and fully paid up share capital: 2700000 (Previous year: 2700000) equity shares of Rs.10 each fully paid Of the above: 1350054 (Previous year: 1350054) equity shares held by Aditya Birla Financial Services Limited, the holding company	2,70,00,000	2,70,00,000
	2,70,00,000	2,70,00,000

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.

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

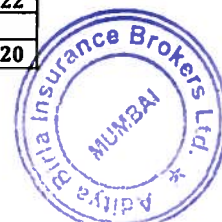
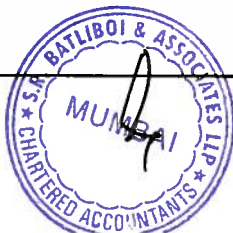
Name of shareholder	March 31, 2016 Rs.	March 31, 2015 Rs.
Number of Shares outstanding at the beginning of the year : 2700000 of Rs 10 each	2,70,00,000	2,70,00,000
Number of Shares issued during the year	-	-
Number of Shares outstanding at the end of the year : 2700000 of Rs. 10 each	2,70,00,000	2,70,00,000

Details of Shareholder holding more than 5% Share of the Company

Name of shareholder	March 31, 2016 Nos	March 31, 2015 Nos
Aditya Birla Financial Services Limited	13,50,054	13,50,054
Infocyper India Private Limited	13,49,946	13,49,946
	27,00,000	27,00,000
% of shareholding:		
Aditya Birla Financial Services Limited	50.002	50.002
Infocyper India Private Limited	49.998	49.998

Note 2: Reserves and surplus

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
(1) General reserve:		
Opening balance	4,85,93,598	3,10,02,063
Addition: Transfer from surplus balance in Statement of Profit and Loss	2,12,96,829	1,75,91,535
Closing balance	6,98,90,427	4,85,93,598
(2) Surplus as per Statement of Profit and Loss:		
Opening balance	24,71,38,422	24,69,75,391
Add: Profit for the year	21,29,68,292	17,59,15,346
	46,01,06,714	42,28,90,737
Less: Appropriation		
Transfer to general reserve	2,12,96,829	1,75,91,535
Proposed final dividend on equity shares*	15,92,51,587	13,14,09,000
Tax on proposed equity dividend	3,24,19,876	2,67,51,780
Closing balance	24,71,38,422	24,71,38,422
Total (1+2)	31,70,28,849	29,57,32,020



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Balance Sheet

* The Board of Directors has proposed the dividend on equity shares @ 58.98 per share (Previous year: Rs 48.67 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Note 3: Other long-term liabilities

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Deposits from employees under own your car scheme	1,83,290	1,39,946
	1,83,290	1,39,946

Note 4: Other long-term provisions

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Provision for deferred employees benefits	-	1,27,45,085
	-	1,27,45,085

Note 5: Trade payables

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Payable for expenses: To related parties	22,17,058	2,94,850
Payable for other expenses: - Micro and small enterprises*	-	-
- Other than micro and small enterprises	10,88,79,187	5,42,25,144
Payable for salaries, wages and other employee benefits	6,07,86,310	5,11,76,451
	17,18,82,555	10,56,96,445

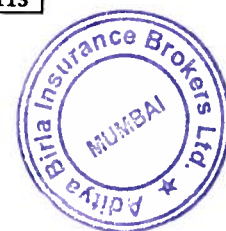
* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties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

Note 6: Other current liabilities

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Other payables - statutory dues	1,08,86,999	41,52,325
Other current liabilities	4,11,00,000	-
Income received in advance	7,59,564	15,187
	5,27,46,563	41,67,512

Note 7: Short-term provisions

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Provisions for leave encashment	1,39,98,526	1,59,53,281
Provisions for gratuity	7,86,820	50,25,151
Provision for deferred employees benefits	2,87,81,013	27,86,901
Other provisions: Proposed final dividend on equity shares	15,92,51,587	13,14,09,000
Tax on proposed equity dividend	3,24,19,876	2,67,51,780
	23,52,37,822	18,19,26,113



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Balance Sheet

Note 8A: Tangible assets

(Amount in Rs.)

Particulars	Lease hold improvements	Office computers and electronic equipments	Furniture and fixtures and other office equipments	Vehicle	Total
Gross Block					
As at April 01, 2014	68,62,932	3,14,65,667	56,15,923	39,21,291	4,78,65,813
Additions during the year	-	65,43,354	13,67,269	22,17,576	1,01,28,199
Deletions/Adjustments during the year	12,841	35,57,718	79,183	-	36,49,742
As at March 31, 2015	68,50,091	3,44,51,303	69,04,009	61,38,867	5,43,44,270
Additions during the year	12,97,496	90,20,734	3,29,804	-	1,06,48,034
Deletions/Adjustments during the year	-	1,45,950	-	11,12,849	12,58,799
As at March 31, 2016	81,47,587	4,33,26,087	72,33,813	50,26,018	6,37,33,505
Depreciation					
As at April 01, 2014	65,69,843	2,00,73,852	22,03,199	9,73,865	2,98,20,759
Additions during the year	1,46,545	55,23,168	8,98,382	10,23,745	75,91,840
Deletions/Adjustments during the year	12,841	34,77,185	53,731	-	35,43,757
As at March 31, 2015	67,03,547	2,21,19,835	30,47,850	19,97,610	3,38,68,842
Additions during the year	1,95,481	67,12,824	11,86,972	12,09,231	93,04,508
Deletions/Adjustments during the year	-	71,217	-	2,22,574	2,93,791
As at March 31, 2016	68,99,028	2,87,61,442	42,34,822	29,84,267	4,28,79,559
Net book amount as at March 31, 2015	1,46,544	1,23,31,468	38,56,159	41,41,257	2,04,75,428
Net book amount as at March 31, 2016	12,48,559	1,45,64,645	29,98,991	20,41,751	2,08,53,946

Note 8B: Intangible assets

(Amount in Rs.)

Particulars	Computer software	Market know-how	Non-compete fee	Total
Gross Block				
As at April 01, 2014	90,00,932	97,31,091	32,94,388	2,20,26,411
Additions during the year	92,69,354	-	-	92,69,354
Deletions/Adjustments during the year	-	-	-	-
As at March 31, 2015	1,82,70,286	97,31,091	32,94,388	3,12,95,765
Additions during the year	2,19,25,726	-	-	2,19,25,726
Deletions/Adjustments during the year	-	-	-	-
As at March 31, 2016	4,01,96,012	97,31,091	32,94,388	5,32,21,491
Amortization				
As at April 01, 2014	66,58,863	58,38,654	32,94,388	1,57,91,905
Additions during the year	22,65,338	19,46,218	-	42,11,556
Deletions/Adjustments during the year	-	-	-	-
As at March 31, 2015	89,24,201	77,84,872	32,94,388	2,00,03,461
Additions during the year	78,67,240	19,46,219	-	98,13,459
Deletions/Adjustments during the year	-	-	-	-
As at March 31, 2016	1,67,91,441	97,31,091	32,94,388	2,98,16,920
Net book amount as at March 31, 2015	93,46,085	19,46,219	-	1,12,92,304
Net book amount as at March 31, 2016	2,34,04,571	-	-	2,34,04,571



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Balance Sheet

Note 9: Deferred tax asset/(liability)

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Deferred tax asset/(liability):		
On account of accumulated depreciation and amortization	(15,04,800)	1,92,600
On account of provision for doubtful debts and other provisions	2,15,89,500	25,18,700
Net deferred tax (liability) / asset	2,00,84,700	27,11,300

Note 10A: Long-term loans and advances

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Rental security deposits	1,52,75,704	1,60,98,942
Other security deposits	55,323	75,323
	1,53,31,027	1,61,74,265

Note 10B: Short-term loans and advances

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Advances and other receivables from employees:		
Unsecured, considered good	5,05,758	13,37,593
Unsecured, considered doubtful	-	1,37,844
	5,05,758	14,75,437
Less: Provision for doubtful advances	-	1,37,844
	5,05,758	13,37,593
Other advances and receivables:		
Unsecured, considered good:		
Prepaid expenses	1,28,14,585	99,86,531
Employee loans	7,18,202	15,96,336
Service tax receivable	49,86,490	24,12,077
Loans and advances to related parties	11,01,015	6,70,884
Inter corporate deposits*	39,00,00,000	36,00,00,000
Rental security deposits	9,32,656	11,34,978
Other security deposits	6,28,000	6,25,000
Others	-	1,97,481
Advance payment of income tax & FBT- net of provision of Rs. 41,70,42,975 (previous year: Rs. 32,67,79,625)	3,24,90,605	4,31,15,286
	44,41,77,311	42,10,76,166

*** Disclosure as per section 186(4) of the Companies Act, 2013:**

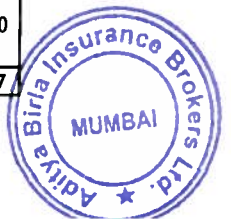
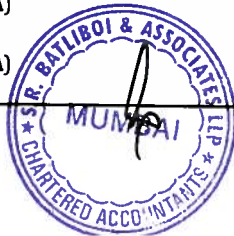
Details of inter corporate deposits granted during the year are as below:

Name of Loanee	Granted during the year (Rs.)	Description
Umang Commercial Company Limited	13,00,00,000	Duration is 180 days with daily put call option @ 9.50% to 10.00%

Note: The loan has been utilised for meeting their business requirements.

Note 11: Other non-current assets

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Other bank balances	1,08,26,789	87,72,117
(Fixed deposits with banks marked lien in favour of IRDA)		
Interest accrued but not due on	1,51,310	13,89,800
(Fixed deposits with banks marked lien in favour of IRDA)		
	1,09,78,099	1,01,61,917



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Balance Sheet

Note 12: Current investments

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Unquoted: Investment in mutual fund units (No of units 4,02,703 valued at cost or market value whichever is lower)	8,97,38,306	4,76,58,335
	8,97,38,306	4,76,58,335

Note 13: Trade receivables

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Due for period exceeding six months:		
Secured considered good	-	-
Unsecured, considered good	22,24,283	6,34,934
Unsecured, considered doubtful	35,13,649	57,22,624
	57,37,932	63,57,558
Less: Provision for doubtful receivables	35,13,649	57,22,624
	22,24,283	6,34,934
Others:		
Secured considered good	-	-
Unsecured, considered good	10,38,19,129	7,45,79,444
Unsecured, considered doubtful	48,25,205	19,67,870
	10,86,44,334	7,65,47,314
Less: Provision for doubtful receivables	48,25,205	19,67,870
	10,38,19,129	7,45,79,444
	10,60,43,412	7,52,14,378

Note 14: Cash and bank balances

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Cash and cash equivalents:		
Cash on hand	-	-
Cheques on hand	-	-
Balance with banks - On current account	6,47,46,213	1,60,71,703
	6,47,46,213	1,60,71,703
Other bank balances:		
Deposits with banks (marked lien in favour of IRDA)	1,08,26,789	87,72,117
Less: Deposits with banks marked lien in favour of IRDA (Transferred to other non-current assets)	1,08,26,789	87,72,117
	-	-
	-	-
	6,47,46,213	1,60,71,703



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Statement of Profit and Loss

Note 15: Revenue from operation

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
General insurance advisory services:		
Administrative services and consultancy charges	1,20,74,763	1,01,63,938
Brokerage	95,57,36,943	71,98,88,403
	96,78,11,706	73,00,52,341

Note 16: Other income

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Interest income:		
Interest on inter corporate deposits	3,83,94,521	1,82,22,876
Interest on fixed deposits with bank	9,06,868	8,73,752
Interest on loans to related parties	-	1,74,57,550
Interest on loan to employee	82,294	58,650
Interest on income tax refund	23,68,740	29,30,422
Gain/(Loss) on sale of investments	49,29,971	9,83,335
Others:		
Recovery of bad debts	3,15,731	-
	4,69,98,125	4,05,26,585

Note 17: Employee benefits expenses

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Salaries and other allowances	31,17,79,901	26,58,91,552
Contribution to provident and other funds	1,18,09,061	1,43,70,235
Staff welfare expenses	1,28,97,970	44,23,081
	33,64,86,932	28,46,84,868



ADITYA BIRLA INSURANCE BROKERS LIMITED

Notes forming part of Statement of Profit and Loss

Note 18: Other expenses

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Legal and professional charges (refer Note 1 below)	1,17,95,140	89,84,608
Advertisement and business promotion expenses	13,77,58,883	9,05,08,220
Telephone and communication expenses	83,13,081	64,60,754
Travelling and conveyance expenses	2,19,62,211	1,89,30,010
Rent	3,08,76,385	2,86,03,615
Rates and taxes	4,29,02,426	10,81,859
Repair and maintenance	1,35,73,926	68,27,283
Director's Fees	50,000	-
Insurance expenses	1,05,63,354	95,45,612
Service hire charges	1,91,72,967	1,60,14,371
Electricity expenses	49,72,514	47,25,206
Printing and stationery	11,52,517	11,92,404
Information technology expenses	1,43,715	17,80,094
Bank charges	6,81,273	4,54,911
Postage and courier expenses	6,45,188	6,15,392
Unrealised Foreign Exchange Loss	2,22,393	3,91,712
Miscellaneous expenses (refer Note 2 below)	1,24,21,055	77,99,936
Bad debts written off	84,41,855	1,57,05,832
CSR Expenses	43,00,000	-
Provision for doubtful debts and advances	6,48,360	(1,26,14,218)
	33,05,97,243	20,70,07,601

Notes:

1. Legal and professional charges include the auditors' remuneration as under:

Category	March 31, 2016	March 31, 2015
Audit fee (including limited review and ICFR fee)	7,50,000	6,00,000
Tax audit fee	1,50,000	1,50,000
Certification charges	2,00,000	2,00,000
Out of pocket expenses	82,547	25,187
	11,82,547	9,75,187

2. Include employee recruitment expenses, security expenses, conference expenses and other office relevant expenses

Note 19: Depreciation and amortization

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Depreciation on tangible assets	93,04,508	75,91,840
Amortization of intangible assets	98,13,459	42,11,556
	1,91,17,967	1,18,03,396



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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 . Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

2 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainly 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.

3 TANGIBLE FIXED ASSETS

Tangible Fixed Assets 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. This applies mainly to components for machinery. 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 Tangible Fixed Assets 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.

A: Assets where useful life is same as Schedule II :-

Asset	Useful Life as Prescribed by Schedule II of the Co. Act,2013
NIL	NIL



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES CONTD...

B: Assets where useful life differ from Schedule II:-

Asset	Useful Life as Prescribed by Schedule II of the Co. Act,2013	Estimated Useful Life
Office computers	3	4
Servers & Networks	6	4
Electronic Equipments	10	4
Vehicles	8	5
Furniture & fixtures	10	7
Other office equipments	5	7

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

Leasehold assets

Leasehold Improvements	Period of Lease ranging from 1 to 5 years
------------------------	---

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

Depreciation on the Fixed Assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

4 INTANGIBLE ASSETS

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Category of assets	Estimated useful life in years
Technical know-how	5
Computer software	3
Non-compete fee	3

5 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.



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES CONTD...

6 BORROWING COST

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

7 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

(c) Exchange differences

Exchange differences arising on monetary items are recognized as income or expenses in the period in which they arise.

8 INVESTMENTS

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and net realizable value. Long term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

9 REVENUE RECOGNITION

(a) Brokerage revenues are recognized based upon policy issued by the Insurance Company to the client

(b) Brokerage in respect of facultative inward / outward and treaty reinsurance placements is accounted when the premium is to be paid by the insurer to the reinsurance company

(c) Interest income is recognized in the profit or loss account on accrual basis.

(d) Dividend income on investment is accounted for when the right to receive the payment is established.

(e) Realized profit/loss on sale /redemption of mutual fund units is computed on weighted average cost basis.

10 RETIREMENT AND OTHER EMPLOYEE BENEFITS

(a) Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes which are recognized in the Statement Profit and Loss on accrual basis.

(b) Defined benefit plan

The Company's liabilities under Payment of Gratuity Act, long term compensated absences and pension are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method except for Short term compensated absences which are provided for based on estimates. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

The Company operates a long term incentive plan and a deferred compensation plan under which additional payouts are payable to select employees over a period of 3-4 years. The company's obligations for these payouts is determined on the basis of actuarial valuation made at the end of each financial year.



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES CONTD...

11 TAXATION

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

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

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. At each balance sheet date the Company reassesses unrecognized deferred tax assets.

12 OPERATING LEASES

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Leases and lease rentals thereon are charged to Statement of Profit and Loss on a straight line basis over lease term.

13 CONTINGENT LIABILITIES AND PROVISIONS

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence.

Provisions are recognized when there is 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 best estimate required to settle the obligation at the balance sheet date.

14 CASH AND CASH EQUIVALENT

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

15 MEASUREMENT OF EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/loss from continuing operations. In its measurement the Company does not include depreciation and amortization expense, finance costs and tax expense.

16 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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 is adjusted for the effects of all dilutive potential equity shares.



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS

- 1 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,03,47,631 (Previous year: Rs.90,18,038).
- 2 Contingent liability not provided for:

Description	March 31, 2016 Rs.	March 31, 2015 Rs.
(a) Claims against the Company not acknowledged as debts	-	1,76,117
(b) Claims against the Company not acknowledged as debts	36,07,415	32,63,779
(c) Claims against the Company not acknowledged as debts	35,000	-
(d) Claims against the Company not acknowledged as debts	19,672	-
(e) Claims against the Company not acknowledged as debts	50,000	-
(f) Claims against the Company not acknowledged as debts	4,57,227	-
(g) Appeal filed by the DCIT with ITAT	2,85,763	2,85,763
(h) Service tax show cause notice (SCN) cum demand	89,20,108	89,20,108
(i) Service tax show cause notice (SCN) cum demand	2,27,25,513	-
	3,61,00,698	1,26,45,767

Note:

- (a) The II Additional District Consumers Disputes Redressal Forum has passed an order against the company and Bajaj Allianz General Insurance Co. Limited jointly and severally to compensate and amount of Rs. 1,76,117 to an insured. The company has filed an appeal in the State Commission to set aside this order against the company. The State Commission had passed an order making Bajaj and ABIBL jointly liable for the claim to the complainant. Later Bajaj and ABIBL jointly appealed against the order in National Commission and the National Commission has passed an order directing Bajaj Allianz General Insurance Co. Limited to compensate the amount claimed in the litigation to the insured and discharged ABIBL from all the legal claims.
- (b) R.K.W. Developers Pvt. Ltd. and Rukmini Vitthal Parab have jointly and severally filed a suit against the company as first party and Oriental Insurance Company Limited as second party before the Consumer Disputes Redressal Commission . The company had submitted a written petition before the said Commission on January 06, 2014. The Commission has not passed any order till now. The liability involved in this case is Rs. 19,09,092 plus interest @18% p.a., Rs. 50,000 towards harassment and Rs. 45,000 towards suit.
- (c) Leela Koteswara Rao Yarlagaadda has filled a suit before Consumer Disputes Redressal Commission against Big C Mobiles as first party, National India Assurance Co. Ltd. as second party and Aditya Birla Insurance Brokers Limited as third Party. The hearing date was on 21/04/2016. The liability involved in this case is Rs. 35,000.
- (d) Madivada Vinay Kumar has filed a complaint before the District Consumer Disputes Redressal Forum against Big C Mobiles as first party and Aditya Birla Insurance Brokers Limited as second party. The next date of hearing was on 22/04/2016. The liability involved in this case is Rs. 13,100 with 24% interest and Rs. 5,000 towards litigation expenses
- (e) Rajeev Gulati has filed a complaint before the Lok Adalat against Arjun Vasu Automobiles Pvt Ltd jointly with Bharati Axa General Insurance Co. Ltd through Aditya Birla Insurance Brokers Limited and Bharat Axa General Insurance Co. Ltd through its agent at Moradabad. The liability involved in this case is Rs. 50,000. The hearing date was on 27/04/2016.
- (f) Indrajeet Singh has filed a complaint before District Forum, Lucknow, U.P., against Future Generali General Insurance Co. Ltd. Hyundai Motors Limited and JSV Hyundai Motors and Construction P. Ltd. & Aditya Birla Insurance Brokers Ltd. as the Claim rejected by insurance company towards car accident



ADITYA BIRLA INSURANCE BROKERS LIMITED

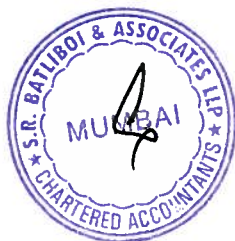
NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS CONTD...

- (g) The company had received a refund of Rs. 9,47,309 for assessment year 2007-08. The Deputy Commissioner of Income Tax from Income Tax Department has applied to the Income Tax Appellate Tribunal against the order of the Commissioner of Income Tax (Appeal) to disallow certain expenses. In turn ITAT has restored back the matter to the file of AO.
- (h) The Commissioner of Service Tax - I, Mumbai has issued a Show Cause Notice (SCN) to the Company, along with a demand of service tax amounting to Rs. 89,20,108/- along with interest at the appropriate rate and penalties for alleged non-payment and for suppressing the values of taxable service with reference to non-payment of service tax on re-insurance brokerage income earned by the Company from foreign re-insurers during the period 1st April 2009 till 30th June 2012. The Company has disputed to this demand and responded that the said income has been earned on export of services and hence is exempt from service tax. Based upon an independent legal advice obtained by the Company, the management is of the opinion that it is possible, but not probable, that the action of demand will succeed and accordingly no provision for liability has been recognized in the financial statements.
- (i) The DGCEI, Chennai Zonal Unit has issued a Show Cause Notice (SCN) to the Company, along with a demand of service tax amounting to Rs.6,38,25,513 for alleged availment of ineligible cenvat credit on invoices issued by dealer and car manufacturers during the period 1st June 2012 till August, 2015. The Company does not agree with the allegations and has filed suitable reply to the SCN stating that the said cenvat credit is eligible as per service tax law and there has been error in understanding the contractual arrangements and the facts of the transactions involved which materially impacts the eligibility of CENVAT credit. Based upon an independent legal advice obtained by the Company, the management is of the opinion that the company has a strong case and chances of cash outflow owing to this demand are remote.
- 3 The Company is considering Accounting Standard 15 (Revised 2005) "Employee Benefits" at the end of March 31, 2016 and pro-rata charges has been debited to the Statement of Profit and Loss of the year. The status of employees benefits as on March 31, 2016 as per actuarial valuation is as under:

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Change in defined benefit obligation		
Opening defined benefit obligation	1,62,18,861	97,83,127
Current service cost	40,73,355	28,68,638
Interest cost	16,08,700	11,14,693
Actuarial loss/(gain)	(38,91,846)	26,66,505
Liabilities assumed on acquisition/settled on divestiture	4,15,966	3,56,540
Benefits paid	(1,70,062)	(5,70,642)
Closing defined benefit obligation	1,82,54,974	1,62,18,861
Change in fair value of assets		
Opening fair value of plan assets	1,11,93,710	80,39,209
Expected return on plan assets	10,63,370	7,15,027
Actuarial gain/(loss)	1,85,923	6,95,556
Contributes by employer	51,95,213	23,14,560
Assets acquired on acquisition/distributed on divestiture		
Benefits paid	(1,70,062)	(5,70,642)
Closing fair value of plan assets	1,74,68,154	1,11,93,710
Expected employer's contribution	20,00,000	30,00,000



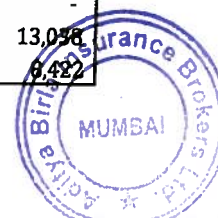
ADITYA BIRLA INSURANCE BROKERS LIMITED
NOTE '20'
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS
(B) OTHER NOTES TO ACCOUNTS CONTD...

Reconciliation of present value of the obligation & fair value of plan assets		
Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Fair value of plan assets at the end of the year	1,74,68,154	1,11,93,710
Present value of defined benefits obligation at end of period	1,82,54,974	1,62,18,861
Liability recognized in the balance sheet	(7,86,820)	(50,25,151)
Current service cost	40,73,355	28,68,638
Interest cost	16,08,700	11,14,693
Expected return on plan assets	(10,63,370)	(7,15,027)
Actuarial gains/(losses)	(40,77,769)	19,70,949
Losses/(gains) on acquisition/divestiture	-	-
Net gratuity cost	5,40,916	52,39,253
Investment details of plan assets		
Government of India	21%	26%
Corporate bonds	0%	1%
Special deposit scheme	2%	2%
Insurer managed fund	55%	51%
Others	21%	19%
Experience adjustment		
Defined benefit obligation	1,82,54,974	1,62,18,861
Plan assets	1,74,68,154	1,11,93,710
Surplus/(deficit)	(7,86,820)	(50,25,151)
Experience adjustment on plan liabilities	(5,12,854)	6,36,684
Experience adjustment on plan assets	1,85,923	6,95,556
Actual return on plan assets	12,49,293	14,10,583
Principal actuarial assumptions at the balance sheet date		
Discount rate (p.a.)	7.80%	8.00%
Expected rate of return on assets (p.a.)	7.80%	8.50%

Experience adjustment	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	1,82,54,974	1,62,18,861	97,83,127	77,48,912	54,30,352
Plan assets	1,74,68,154	1,11,93,710	80,39,209	59,36,323	46,25,962
Surplus/(Deficit)	(7,86,820)	(50,25,151)	(17,43,918)	(18,12,589)	(8,04,390)
Exp. Adj. on plan liabilities	(5,12,854)	6,36,684	9,64,093	(1,11,164)	(4,27,388)
Exp.adj. on plan assets	1,85,923	6,95,556	(2,26,487)	(1,43,926)	(1,21,656)

4 Defined contribution plan

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Contribution to employees' provident fund (Govt. Provident Fund)	69,20,014	62,33,223
Contribution to employees' pension scheme (Govt. Pension Fund)	34,43,386	24,83,994
Contribution to superannuation fund	-	-
Contribution to ESIC fund	-	13,038
Contribution to MLW fund	8,702	8,432



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS CONTD...

5 Related party disclosures

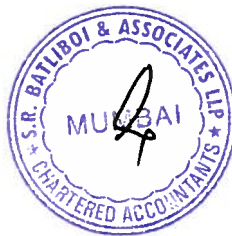
(a) List of related parties:

Relationship	Name of party
Ultimate holding company	Aditya Birla Nuvo Limited (ABNL)
Holding company	Aditya Birla Financial Services Limited (ABFSL) (formerly known as Aditya Birla Financial Services Private Limited)

Relationship	Name of party
Fellow subsidiaries	Aditya Birla Finance Ltd (ABFL) (Subsidiary of ABFSL) Aditya Birla Financial Shared Services Limited (ABFSSL) Aditya Birla Money Mart Limited (ABMML) (Subsidiary of ABFSL) Birla Sunlife Insurance Company Limited (BSLICL) Birla Sunlife Asset Management Company Limited (BSLAMCL) Aditya Birla Money Limited

Notes:

- (i) The related party relationships have been identified by the management on the basis of the requirements of the Accounting Standard AS-18 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and the same have been relied upon by the auditors.
- (ii) The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS CONTD....

5 (b): Related party transactions:

The following inter company transactions/balances with Holding/Subsidiaries/Fellow Subsidiaries/Joint Ventures /Associates have taken place during the period under review and are included in the figures under respective heads:

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Fellow subsidiaries:		
Other Income:		
Aditya Birla Finance Limited (Interest)	-	1,74,57,550
Expenses recovered:		
Aditya Birla Finance Limited (Other expenses recovered)	-	9,981
Birla Sunlife Insurance Company Limited (Administrative expenses)	-	2,00,637
Birla Sunlife Insurance Company Limited (Rent expenses)	-	1,36,458
Birla Sunlife Insurance Company Limited (Employee Benefit Expenses)	-	1,32,434
Aditya Birla Financial Shared Services Limited (Electricity expenses recovered)	-	8,948
Aditya Birla Financial Shared Services Limited (Other expenses recovered - Net of Service Tax Rs. 5,676/-)	40,543	-
Birla Sunlife Asset Management Company Limited (Employee benefit expenses recovered)	-	6,39,399
Aditya Birla Money Mart Limited (Administrative expenses)	-	7,248
Aditya Birla Money Limited (Employee Benefit expenses - Net of Service Tax Rs. 5,190/-)	77,535	-
Expenses reimbursed:		
Aditya Birla Finance Limited (Other expenses - Net of service tax Rs. 43571/- and inclusive of SBC Rs.1556/-)	3,12,776	1,67,397
Birla Sunlife Insurance Company Limited (Other Expenses)	-	8,872
Birla Sunlife Insurance Company Limited (Rent Expenses - Net of Service Tax Rs.10,908/- and inclusive of SBC Rs.194/-)	78,102	-
Birla Sunlife Insurance Company Limited (Insurance Expenses - Inclusive of Service Tax Rs. 1,73,504/- and inclusive of SBC of Rs.483/-)	14,32,171	11,94,607
Birla Sunlife Asset Management Company Limited (Rent expenses)	-	27,324
Aditya Birla Financial Services Limited (Other expenses - Net of Service Tax Rs. 3,82,103/- and inclusive of SBC of Rs.7301/-)	27,67,429	19,63,915
Aditya Birla Financial Services Limited (Employee benefit expense - Net of Service Tax Rs. 12,35,812/- and inclusive of SBC Rs.20,776/-)	90,09,653	82,14,514
Aditya Birla Money Mart Limited (Rent expenses - Net of Service Tax Rs. 6,720/- and inclusive of SBC Rs.100/-)	48,100	48,000
Aditya Birla Money Mart Limited (Advertisement expenses-Net of Service Tax Rs. 4,41,000/- and inclusive of SBC Rs.15,750/-)	31,65,750	-
Aditya Birla Money Mart Limited (Other expenses-Net of Service Tax Rs. 9,030/-)	64,500	-
Aditya Birla Money Limited (Rent expenses - Net of Service Tax Rs. 1,69,242/- and inclusive of SBC Rs.2754/-)	12,27,154	7,24,200



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS CONTD....

5 (b): Related party transactions:

The following inter company transactions/balances with Holding/Subsidiaries/Fellow Subsidiaries/Joint Ventures /Associates have taken place during the period under review and are included in the figures under respective heads:

Particulars	March 31, 2016 Rs.	March 31, 2015 Rs.
Aditya Birla Money Limited <i>(Administrative expenses - Net of Service Tax Rs.822/- and inclusive of SBC Rs.89/-)</i>	5,901	-
Aditya Birla Financial Shared Services Limited <i>(Employee Benefit expenses - Net of Service Tax Rs. 5,68,859/- and Inclusive of SBC Rs.9717/-)</i>	36,60,381	24,47,510
Aditya Birla Financial Shared Services Limited <i>(Service Hire expenses - Net of Service Tax Rs. 4,14,897/- and inclusive of SBC Rs.7742/-)</i>	30,20,259	23,10,580
Aditya Birla Financial Shared Services Limited <i>(Other expenses - Net of Service Tax Rs. 4,42,206/- and inclusive of SBC Rs.46/-)</i>	32,27,416	5,60,263
Aditya Birla Nuvo Ltd <i>(Other expenses -Net of Service Tax Rs. 1,724/-)</i>	12,312	-
Dividend paid:		
Aditya Birla Financial Services Limited	6,57,07,128	4,99,51,998
Trade payables:		
Aditya Birla Finance Limited <i>(Payable against expenses)</i>	-	1,61,366
Birla Sunlife Insurance Company Limited <i>(Payable against expenses)</i>	20,344	-
Aditya Birla Money Limited <i>(Payable against expenses)</i>	5,55,936	1,33,484
Aditya Birla Financial Services Limited <i>(Payable against expenses)</i>	16,40,778	-
Short term loans and advances:		
Birla Sunlife Insurance Company Limited <i>(Advance against expenses)</i>	-	3,44,516
Aditya Birla Financial Shared Services Limited <i>(Advance against expenses)</i>	11,01,015	58,820
Aditya Birla Financial Services Limited <i>(Advance against expenses)</i>	-	2,67,548
Loan repaid/granted:		
Aditya Birla Finance Limited	-	37,69,00,000
Loan obtained/received back:		
Aditya Birla Finance Limited	-	67,64,65,596

Notes:

1. Expenses are net of service tax and inclusive of Swachha Bharat Cess (SBC)
2. Payables/Receivables are net of TDS
3. Previous year/ period figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.



ADITYA BIRLA INSURANCE BROKERS LIMITED

NOTE '20'

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

(B) OTHER NOTES TO ACCOUNTS CONTD...

- 6 The Company has entered into an operating lease agreement for use of premises which is non cancellable for a period of two years

The future minimum lease payments for the leases at the balance sheet date are as follows:

Future minimum lease payments payables for the period	March 31, 2016	March 31, 2015
Not later than one year	1,71,11,714	1,58,82,517
Later than one year and not later than five years	62,36,864	1,77,77,753
Later than five years	-	-

The lease payments recognized in the statement of profit and loss for the year ended 31st March, 2016 is Rs. 3,08,76,385 (Previous year Rs 2,86,03,615)

- 7 The Company has single reportable segment viz-insurance advisory & broking services for the purpose of Accounting Standard 17 on 'Segment Reporting'. The Company does not have any reportable geographical segment

- 8 Earnings per share (basic and diluted):

Particulars	March 31, 2016	March 31, 2015
Net profit after tax available for equity shareholders (Rs)	21,29,68,292	17,59,15,346
Weighted average number of equity shares outstanding (Nos):		
Number of shares at the beginning of the year	2700000	2700000
Bonus Shares issued during the year	NIL	NIL
Number of shares at the end of the year	2700000	2700000
Earning per share (Rs)	78.88	65.15
Nominal value of share (Rs)	10	10

- 9 Foreign currency transactions:

Nature of transaction	March 31, 2016	March 31, 2015
Earning in foreign currency (Rs)		
Expenses in foreign currencies (Travel expenses) (Rs)	1,95,10,942	1,09,04,131
Expenses in foreign currencies (Other expenses) (Rs)	15,95,617	7,82,564
	16,71,453	5,87,949

- 10 Foreign Currency Exposure which are not hedged

Particulars	Currency	March 31, 2016		March 31, 2015	
		Foreign Currency	Amount (Rs.)	Foreign Currency	Amount (Rs.)
Trade Receivable	United Arab Emirates Dirhams	1,18,012	21,23,179	1,18,201	20,08,299
Trade Receivable	EURO	4,068	3,05,310	-	-
Trade Receivable	Kuwaiti Dinar	558	1,22,052	-	-
Trade Receivable	Sri Lankan Rupees	9,15,530	3,98,109	64,771	29,673
Trade Receivable	Philippine Peso	146	210	-	-
Trade Receivable	Sri Lankan Rupees	3,28,980	1,43,054	-	-
Trade Receivable	British Pound	214	20,292	-	-
Trade Receivable	Thai Baht	5,69,434	10,68,035	69,868	1,33,785
Trade Receivable	Turkish Lira	61,389	14,34,263	5,530	1,32,365
Trade Receivable	US Dollar	5,029	3,32,382	3,291	2,05,442
Trade Receivable	Nepalese Rupees	-	-	61,050	37,394

- 11 The figures in respect of the previous year have been regrouped / rearranged, wherever necessary to make them comparable.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No. : 101049W/E300004
Chartered accountants

Per Amit Kabra
Partner
Membership No: 094533
Place: Mumbai
Date: May 05, 2016



For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

[Signature]
Director

[Signature]
Director

Place: Mumbai
Date: May 05, 2016

