

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Aditya Birla Money Limited

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Aditya Birla Money Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated

financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31 March 2017, their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to Note No. 21 of the Notes to the Financial Statements relating to the recoverability of assets in the nature of trade receivables, advances, and other assets etc. aggregating to Rs. 187,597,255 grouped under advances recoverable in cash or kind, which is subject matter of claim and more fully described therein. Our opinion is not qualified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

As required by section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of the written representations received from the directors of the Holding Company and the Subsidiary Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and Subsidiary Company respectively, none of the directors of the Holding Company and Subsidiary Company, incorporated in India is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company, incorporated in India, refer to our separate report in Annexure 1 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group. Refer Note No. 33(ii) to the consolidated financial statements;
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Group has provided requisite disclosures in Note No. 36 to these consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Group regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Group.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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**per Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 28 April 2017

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ADITYA BIRLA MONEY 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 Money Limited

In conjunction with our audit of the consolidated financial statements of Aditya Birla Money Limited as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Aditya Birla Money Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective 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 Act.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 31 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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**per Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 28 April 2017

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

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**1) Principles of consolidation**

- i) The Consolidated Financial Statements ('CFS') relate to Aditya Birla Money Limited ('the Company') and its 100% (Previous year 100%) wholly owned subsidiary Aditya Birla Commodities Broking Limited ('ABCBL'). Aditya Birla Commodities Broking Limited is incorporated in India.
- ii) The financial statements of the subsidiary have been drawn for the same reporting period as that of the Company i.e. year ended March 31, 2017.
- iii) The financial statements of the Company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses and after eliminating intra-group balances, intra-group transactions and unrealized profits/losses.
- iv) There is no excess / shortage of cost to the Company of its investment in the subsidiary over its proportionate share in the equity as at the date of the investment. Accordingly no goodwill / capital reserve is recognized in the CFS.
- v) The CFS have been prepared using uniform accounting policies, except as stated otherwise, for like transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements.

**2) Statement of Significant Accounting Policies**

**a) Basis of preparation**

The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Companies Accounting Standards Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the ministry of corporate affairs, in respect of 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention and on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. However, as these financial statements are not statutory financial statements, full compliance with the above Act are not required and so they may not reflect all the disclosure requirements of the Act. The financial statements have been prepared under the historical cost convention and on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses,



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

assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**c) Property, Plant & Equipment and Depreciation**

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

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

**Assets where useful life is same as Schedule II:**

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

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by Internal Technical Assessment.

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

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



**Aditya Birla Money Limited**

**Notes to the Consolidated Financial statements for the year ended March 31, 2017**

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

**Leasehold Assets**

Leasehold Improvements	Period of Lease ranging from 4 to 5 years
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Fixed Assets, individually costing less than Rupees five thousands, are fully depreciated in the year of purchase.

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

**d) Intangible assets**

Intangible assets are recorded at the consideration paid for acquisition. The computer software costs are capitalized and recognized as intangible assets in terms of Accounting Standard 26 - Intangible Assets based on materiality, accounting prudence and significant economic benefit expected there from to flow over a period longer than one year. Capitalized costs include direct costs of implementation and expenses directly attributable to the development of the software. All other expenses on existing intangible assets, including day-to-day maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Computer software cost capitalized is amortized over the estimated useful life of 6 years on a straight line basis.

**e) Impairment**

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





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

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**f) Leases**

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

**g) Investments**

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

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

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

**h) Revenues**

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

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

Income from depository services, referral fee and interest and finance charges are recognised on the basis of agreements entered into with clients and when the right to receive the income is established.

Other interest incomes are recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. The same is included under the head 'other income' in the statement of profit and loss.

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Portfolio management fees are recognized on an accrual basis in accordance with the Portfolio Management Agreements entered into with the respective clients.



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

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**i) Employee Benefits**

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

**j) Employee stock compensation cost**

Employees (including senior executives) of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (*Share Based Employee Benefits*) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.



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

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**k) Income Tax**

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

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

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

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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



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

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**l) Earnings Per Share**

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

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

**m) Contingent Liability and Provisions**

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

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

**n) Segment Reporting**

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

**o) Cash and Cash Equivalents**

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

**p) Sharing of costs**

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



**Aditya Birla Money Limited**  
**Consolidated Balance Sheet as at March 31, 2017**  
*(All amounts are in Indian Rupees, unless otherwise stated)*

	<u>Note No.</u>	<u>As at March 31, 2017</u>	<u>As at March 31, 2016</u>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Shareholders' Funds</b>			
Share Capital	3	15,54,00,000	15,54,00,000
Reserves and Surplus	4	26,65,86,252	19,38,24,052
	Sub-Total (A)	<u>42,19,86,252</u>	<u>34,92,24,052</u>
<b>(B) Non-Current Liabilities</b>			
Other Long-term Liabilities	5A	91,34,456	81,61,407
Long-term Provisions	6A	4,77,300	5,11,769
	Sub-Total (B)	<u>96,11,756</u>	<u>86,73,176</u>
<b>(C) Current Liabilities</b>			
Short-term Borrowings	7	34,70,77,063	74,74,94,369
Trade Payables	8	21,40,14,671	11,43,03,039
Other Current Liabilities	5B	1,85,51,12,688	1,29,49,55,735
Short-term Provisions	6B	3,33,08,922	3,50,23,772
	Sub-Total (C)	<u>2,44,95,13,344</u>	<u>2,19,17,76,915</u>
	<b>TOTAL (A)+(B)+(C)</b>	<u><b>2,88,11,11,352</b></u>	<u><b>2,54,96,74,143</b></u>
<b>ASSETS</b>			
<b>(D) Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	9A	3,98,05,224	4,76,34,360
Intangible Assets	9B	3,21,97,714	2,22,25,284
Capital Work-in-Progress		32,24,025	-
Intangible Assets under Development		5,55,000	-
		<u>7,57,81,963</u>	<u>6,98,59,644</u>
Non-Current Investments	10	-	30,050
Long-term Loans and Advances	11A	13,36,17,421	10,93,39,934
Other Non-Current Assets	12	6,55,09,047	6,55,09,047
	Sub-Total (D)	<u>27,49,08,431</u>	<u>24,47,38,675</u>
<b>(E) Current Assets</b>			
Trade Receivables	13	1,48,07,45,294	1,34,68,64,537
Cash and Bank Balances	14	87,88,06,556	72,45,29,347
Short-term Loans and Advances	11B	20,94,20,204	19,33,67,489
Other Current Assets	12A	3,72,30,867	4,01,74,095
	Sub-Total (E)	<u>2,60,62,02,921</u>	<u>2,30,49,35,468</u>
	<b>TOTAL (D)+(E)</b>	<u><b>2,88,11,11,352</b></u>	<u><b>2,54,96,74,143</b></u>

Summary of Significant Accounting Policies

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The accompanying Notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aditya Birla Money Limited

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

*Shrawan*

per Shrawan Jalan  
Partner

Membership No.: 102102

Date: April 28, 2017

Place: Mumbai



*Gopi Krishna Tulsian*

Gopi Krishna Tulsian

Director

DIN : 00017786

*Pradeep Sharma*

Pradeep Sharma

Chief Finance Officer

PAN : AHRPS6339L

*Tushar Shah*

Tushar Shah

Director

DIN : 07504267

*Vikashh K Agarwal*

Vikashh K Agarwal

Company Secretary

PAN : ACXPA6332J



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

	<b>Note No.</b>	<b>Year Ended March 31, 2017</b>	<b>Year Ended March 31, 2016</b>
<b>Revenue</b>			
Revenue from Operations	15	1,24,58,61,042	1,19,38,58,319
Other Income	16	8,52,13,318	8,51,06,681
<b>Total Revenue</b>		<b>1,33,10,74,360</b>	<b>1,27,89,65,000</b>
<b>Expenses</b>			
Employee Benefits Expenses	17	49,98,48,476	52,40,52,611
Finance Cost	18	5,43,93,963	6,37,92,904
Depreciation and Amortisation Expenses	19	3,15,92,043	3,96,36,021
Business Partners Payout		33,05,42,385	28,54,40,202
Other Expenses	20	33,38,63,512	32,59,30,425
<b>Total Expenses</b>		<b>1,25,02,40,379</b>	<b>1,23,88,52,163</b>
<b>Profit Before Tax</b>		<b>8,08,33,981</b>	<b>4,01,12,837</b>
<b>Tax Expenses</b>			
- Current Tax		96,66,044	68,42,798
- MAT Credit		(15,94,260)	-
<b>Profit for the Year</b>		<b>7,27,62,197</b>	<b>3,32,70,039</b>
Earnings per share (Basic and Diluted) (Face Value of Re. 1/- each)	27	1.31	0.60

Summary of Significant Accounting Policies 2  
The accompanying Notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aditya Birla Money Limited

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




per Shrawan Jalan  
Partner  
Membership No.: 102102  
Date: April 28, 2017  
Place: Mumbai



  
Gopi Krishna Tulsian  
Director  
DIN : 00017786

  
Pradeep Sharma  
Chief Finance Officer  
PAN : AHRPS6339L

  
Tushar Shah  
Director  
DIN : 07504267

  
Vikashh K Agarwal  
Company Secretary  
PAN : ACXPA6332J



**Aditya Birla Money Limited**  
**Consolidated Cash Flow Statement as at March 31, 2017**

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

Particulars	March 31,2017 Rs	March 31,2016 Rs
<b>Cash flow from operating activities</b>		
<b>Profit / (Loss) before tax</b>	<b>8,08,33,981</b>	<b>4,01,12,843</b>
Depreciation/ amortization	3,15,92,043	3,96,36,021
Loss/ (profit) on sale of fixed assets	(7,25,000)	(11,33,389)
Provision for doubtful debts made/(written back)	2,33,20,906	1,19,38,443
Provision for doubtful deposits and advances	96,00,000	52,11,801
Net (gain)/ loss on sale of current investments	(1,62,07,434)	(47,08,836)
Net (gain)/ loss on sale of non current investments	(8,40,146)	(6,85,229)
Interest expense	5,44,80,300	6,35,57,975
Interest (income)	(5,48,80,489)	(6,08,70,926)
Dividend (income)	-	(19,725)
<b>Operating profit before working capital changes</b>	<b>12,71,74,161</b>	<b>9,30,38,978</b>
Movements in working capital :		
Increase/ (decrease) in trade payables	9,96,82,619	12,96,655
Increase / (decrease) in long-term provisions	(34,469)	(8,57,927)
Increase / (decrease) in short-term provisions	(17,14,850)	(17,05,043)
Increase/ (decrease) in other current liabilities	54,74,30,340	17,71,36,579
Increase/ (decrease) in other long-term liabilities	9,73,049	24,55,802
Decrease / (increase) in trade receivables	(15,72,01,663)	(44,09,17,892)
Decrease / (increase) in long-term loans and advances	(1,55,82,605)	(3,01,66,266)
Decrease / (increase) in short-term loans and advances	(32,97,089)	46,46,235
Decrease / (increase) in other current assets	(51,28,556)	(23,42,816)
<b>Cash generated from /(used in) operations</b>	<b>59,23,00,937</b>	<b>(19,74,15,695)</b>
<b>Direct taxes paid (net of refunds)</b>	<b>1,07,83,757</b>	<b>45,17,068</b>
<b>Cash flow before exceptional items</b>	<b>58,15,17,180</b>	<b>(20,19,32,763)</b>
Exceptional item	-	-
<b>Net cash from/ (used in) operating activities (A)</b>	<b>58,15,17,180</b>	<b>(20,19,32,763)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(4,04,96,663)	(2,95,32,314)
Proceeds from sale of fixed assets	27,49,374	17,44,263
Purchase of Mutual Fund	(57,28,28,00,000)	(34,12,52,61,681)
Proceeds from Sale of Mutual Fund	57,29,90,07,434	34,12,99,78,858
Proceeds from Sale of Investments	8,70,196	7,20,929
Investments in bank deposits (having original maturity of more than three months) and lien deposits	(12,27,91,094)	(1,39,11,993)
Maturity of bank deposits (having original maturity of more than three months) and lien deposits	-	17,27,22,411
Interest received	5,48,80,489	6,20,72,930
Dividends received	-	19,725



**Aditya Birla Money Limited**  
**Consolidated Cash Flow Statement as at March 31, 2017**

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

Particulars	March 31,2017 Rs	March 31,2016 Rs
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(8,85,80,264)</b>	<b>19,85,53,128</b>
<b>Cash flows from financing activities</b>		
Proceeds from Short-term borrowings	4,18,80,40,215	1,51,83,73,234
Repayment of Short-term borrowings	(4,24,22,40,215)	(1,46,50,33,020)
Proceeds from Issue of Commercial Paper	3,85,00,00,000	4,45,00,00,000
Repayment of Commercial Paper	(4,20,00,00,000)	(4,45,00,00,000)
Interest paid	(5,72,50,802)	(6,00,35,166)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(46,14,50,802)</b>	<b>(66,94,952)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>3,14,86,114</b>	<b>(1,00,74,587)</b>
Effect of exchange differences on cash & cash equivalents held in foreign		
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14,08,59,428</b>	<b>15,09,34,015</b>
<b>Cash and cash equivalents at the year ended</b>	<b>17,23,45,542</b>	<b>14,08,59,428</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	10,860
With banks	-	-
- on deposit account	-	-
- Current Accounts	17,23,45,542	14,08,48,568
<b>Total cash and cash equivalents (Note 14)</b>	<b>17,23,45,542</b>	<b>14,08,59,428</b>

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

As per our report of even date

For and on behalf of the Board of Directors of Aditya Birla Money Limited

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

*Shrawan*



per Shrawan Jalan  
Partner  
Membership No.: 102102

Date: April 28, 2017  
Place: Mumbai

*Gopi Krishna Tulsian*

**Gopi Krishna Tulsian**  
Director  
DIN: 00017786

*Pradeep Sharma*

**Pradeep Sharma**  
Chief Financial Officer  
PAN : AHRPS6339L

*Tushar Shah*

**Tushar Shah**  
Director  
DIN : 07504267

*Vikashh K Agarwal*

**Vikashh K Agarwal**  
Company Secretary  
PAN : ACXPA6332J





**Aditya Birla Money Limited**

**Notes to the Consolidated Financial statements for the Year ended March 31, 2017**

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

	<u>As at March 31, 2017</u>	<u>As at March 31, 2016</u>
<b>NOTE: 3</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
150,000,000 (Previous year 150,000,000) Equity Shares of Re.1/-each	15,00,00,000	15,00,00,000
1,000,000 (Previous Year 1,000,000) 8% Redeemable Non convertible non cumulative Preference Shares of Rs. 100/- each	10,00,00,000	10,00,00,000
	<u>25,00,00,000</u>	<u>25,00,00,000</u>
<b>Issued, Subscribed and paid-up</b>		
<b>EQUITY SHARE CAPITAL</b>		
55,400,000 (Previous Year - 55,400,000) Equity Shares of Re.1/-each Fully paid	5,54,00,000	5,54,00,000
	<u>5,54,00,000</u>	<u>5,54,00,000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
<b>PREFERENCE SHARE CAPITAL</b>		
1,000,000 (Previous Year 1,000,000) 8% Redeemable Non convertible Non cumulative Preference Shares of Rs.100/- each fully paid	10,00,00,000	10,00,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>

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

Sl. No	Description	As at March 31, 2017		As at March 31, 2016	
		Number of Shares	Amount	Number of Shares	Amount
1	At the beginning of the year	5,54,00,000	5,54,00,000	5,54,00,000	5,54,00,000
2	Issued during the year	-	-	-	-
3	Outstanding at the end of the year	5,54,00,000	5,54,00,000	5,54,00,000	5,54,00,000

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

Sl. No	Description	As at March 31, 2017		As at March 31, 2016	
		Number of Shares	Amount	Number of Shares	Amount
1	At the beginning of the year	10,00,000	10,00,00,000	10,00,000	10,00,00,000
2	Issued during the year	-	-	-	-
3	Outstanding at the end of the year	10,00,000	10,00,00,000	10,00,000	10,00,00,000

**2 Terms/right attached to Equity shares**

The Company has only one class of Equity shares having at par value of Re.1/- each per share. Each holder of Equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

**3 Terms/right attached to Preference Shares**

Preference shares carry a non-cumulative dividend of 8% per annum. Dividend amounts, declared if any, will be paid in Indian rupees.

In the year ended 31st March, 2011, the Company had allotted 800,000 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs.100/- each, fully paid-up at a premium of Rs.150/- per share to Aditya Birla Financial Services Limited, the Holding Company. These Preference Shares are redeemable at the end of 5 years from the date of issue at a price of Rs.320/- per share.



The rights attached to the 800,000 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 100/- each were varied to the extent and manner given below with the written consent of the Preference shareholders on 30th March 2015:

1. The period of redemption extended by 39 months from March 2016 to June 2019 and
2. The redemption price of Redeemable Non-Convertible Non-Cumulative Preference Shares shall be varied from Rs.320/- (Face value Rs.100/- and Premium of Rs.220/- per share) to Rs.411/- (Face value Rs.100/- and Premium of Rs.311/- per share)
3. Same as what is mentioned hereinabove, all other terms and conditions of the said Preference shares remain the same.

During the year ended 31st March, 2014, the Company had allotted 200,000 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs.100/- each, fully paid-up at a premium of Rs.400/- per share to Aditya Birla Financial Services Limited, the Holding Company. These Preference Shares are redeemable at the end of 5 years from the date of issue at a price of Rs.725/- per share.

#### 4 Shares held by Holding Company

41,550,000 (Previous Year: 41,550,000) Equity shares of Re.1/- each fully paid-up and 1,000,000 (Previous Year : 1,000,000) 8% Redeemable Non-Convertible Non-Cumulative Preference shares Rs.100/-each fully paid-up are held by Aditya Birla Financial Services Limited, the Holding Company.

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

##### i) Equity Share Capital

Sl. No.	Name of Share Holder	As at March 31, 2017		As at March 31, 2016	
		Number of Shares held	% of total paid-up Equity Share Capital	Number of Share held	% of total paid-up Equity Share Capital
1	Aditya Birla Financial Services Limited	4,15,50,000	75.00	4,15,50,000	75.00
2	Sucharitha P. Reddy	55,17,460	9.96	55,17,460	9.96

##### ii) Preference Share Capital

Sl. No.	Name of Share Holder	As at March 31, 2017		As at March 31, 2016	
		Number of Shares held	% of total paid-up Preference Share Capital	Number of Share held	% of total paid-up Preference Share Capital
1	Aditya Birla Financial Services Limited	10,00,000	100	10,00,000	100

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Sl. No.	Name of Share Holder	As at March 31, 2017		As at March 31, 2016	
		Number of Shares held	% of total paid-up preference share capital	Number of Share held	% of total paid-up preference share capital
1	Aditya Birla Financial Services Limited	10,00,000	100	10,00,000	100

#### NOTE: 4

#### RESERVES AND SURPLUS

##### 1) Capital Reserves

	As at March 31, 2017	As at March 31, 2016
1) Capital Reserves	1,15,38,863	1,15,38,863

##### 2) Securities Premium Account

Balance as per last audited Financial Statement

20,00,00,000	20,00,00,000
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##### 3) General Reserve

Balance as per last audited Financial Statement

26,13,76,777	26,13,76,777
--------------	--------------

##### 4) Surplus/(Deficit) in the Statement of Profit and Loss

Balance as per last audited Financial Statement

(27,90,91,585)	(31,23,61,627)
----------------	----------------

Addition:

Profit of the year

7,27,62,197	3,32,70,039
-------------	-------------

**Total**

<u>(20,63,29,388)</u>	<u>(27,90,91,588)</u>
<u>26,65,86,252</u>	<u>19,38,24,052</u>



**NOTE: 5A****OTHER LONG-TERM LIABILITIES**

Rent Equalization Liability	91,34,456	81,61,407
	<u>91,34,456</u>	<u>81,61,407</u>

**NOTE: 5B****OTHER CURRENT LIABILITIES**

Income Received in Advance	16,62,898	91,478
Other Payables		
Payable to customers	1,68,15,61,944	1,08,37,39,423
Payable to exchanges	8,12,99,861	13,68,73,386
Book Overdraft	-	1,58,785
Statutory Dues	3,02,03,165	2,73,43,194
Deposits	5,09,70,413	4,62,27,841
Rent Equalization Liability	24,857	5,21,628
Other liability	93,89,550	-
	<u>1,85,51,12,688</u>	<u>1,29,49,55,735</u>

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

## Provisions for Employee Benefits:

Gratuity (Unfunded) (Refer Note no. 29)	4,77,300	5,11,769
	<u>4,77,300</u>	<u>5,11,769</u>

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

## Provisions for Employee Benefits:

Leave Encashment	1,19,03,685	1,41,72,851
Gratuity (Unfunded) (Refer Note no. 29)	4,44,600	4,88,210
Gratuity (Funded)	-	90,68,118
Taxation (Net of Advance Tax)	2,09,60,637	1,12,94,593
	<u>3,33,08,922</u>	<u>3,50,23,772</u>

**NOTE: 7****SHORT-TERM BORROWINGS****SECURED**

## Loan Repayable on Demand

Banks #	-	5,33,40,215
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**UNSECURED**

## Commercial Papers \* ^

34,70,77,063	69,41,54,154
<u>34,70,77,063</u>	<u>74,74,94,369</u>

\* Maximum balance outstanding during the year

1,15,00,00,000

^ Repayable in 30 to 90 days from the date of draw down. The interest on this loan ranges from 6.85% to 9.76%.

1,35,00,00,000

# The bank borrowing is secured against pledge of fixed deposits.

**NOTE: 8****TRADE PAYABLES**

## Salaries, wages, bonus and other employee benefits payable

7,30,98,083

4,72,84,857

## Trade Payables (Others)

14,09,16,588

6,70,18,182

21,40,14,67111,43,03,039

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



Aditya Birla Money Limited  
Notes to the Consolidated Financial statements for the year ended March 31, 2017

Note 9A - Tangible Assets

		Note 9B - Intangible Assets					TOTAL	
		Freehold Land	V SAT	Furniture &	Office	Computers	Vehicles	Computer Software
		Equipped	Equipment	Fixtures	Equipment			
		As at 1st April 2015	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015	As at 1st April 2015
		As at 31st March 2016	As at 31st March 2016	As at 31st March 2016	As at 31st March 2016	As at 31st March 2016	As at 31st March 2016	As at 31st March 2016
<b>Gross Block</b>		15,00,000	9,48,64,664	7,88,21,332	6,96,44,430	21,02,23,484	34,11,010	23,41,21,310
As at 1st April 2015		-	-	2,99,381	22,91,970	1,94,12,468	5,00,000	78,12,995
Additions		-	7,92,229	89,89,093	65,34,110	4,35,06,589	-	8,88,750
Deletions		15,00,000	9,40,72,435	7,01,31,620	6,54,02,290	18,61,29,363	39,11,010	24,10,45,555
As at 31st March 2016		15,00,000	9,40,72,435	7,01,31,620	6,54,02,290	18,61,29,363	39,11,010	24,10,45,555
<b>Cost</b>		-	15,225	1,40,617	20,32,338	85,20,782	33,72,262	2,26,36,414
At 1 April 2016		-	31,23,151	2,65,65,574	2,75,77,875	7,26,84,411	27,49,126	13,27,00,138
Additions		-	9,09,64,509	4,37,06,663	3,98,56,753	12,19,65,734	45,34,146	30,25,27,804
Deletions		15,00,000	9,09,64,509	4,37,06,663	3,98,56,753	12,19,65,734	45,34,146	30,25,27,804
As at 31st March 2017		-	9,43,05,059	5,86,59,403	6,14,59,180	19,21,83,453	8,38,754	20,53,50,655
<b>Accumulated Depreciation</b>		-	4,92,022	81,05,901	59,26,047	99,74,424	7,72,767	1,43,58,365
As at 1st April 2015		-	7,92,244	84,16,741	64,89,078	4,35,06,589	-	8,88,750
For the year		-	9,40,04,838	5,83,48,562	6,08,96,149	15,86,51,289	16,11,521	21,88,20,270
Deletions		-	9,40,04,838	5,83,48,562	6,08,96,149	15,86,51,289	16,11,521	21,88,20,270
As at 31 March 2016		-	9,40,04,838	5,83,48,562	6,08,96,149	15,86,51,289	16,11,521	21,88,20,270
<b>Depreciation</b>		-	9,40,04,838	5,83,48,562	6,08,96,149	15,86,51,289	16,11,521	21,88,20,270
At 1 April 2016		-	69,566	56,77,278	28,39,033	96,45,794	6,89,670	1,26,63,985
For the year		-	31,23,151	2,55,65,196	2,69,95,020	7,25,60,719	14,67,034	12,97,11,119
Deletions		-	9,09,51,252	3,84,60,644	3,67,40,162	9,57,36,364	8,34,157	23,14,84,255
As at 31st March 2017		-	9,09,51,252	3,84,60,644	3,67,40,162	9,57,36,364	8,34,157	23,14,84,255

<b>Net book amount as at 31st March 2016</b>		15,00,000	67,597	1,17,83,058	45,06,141	2,74,78,074	22,99,489	4,76,34,360	2,22,25,285
<b>Net book amount as at 31st March 2017</b>		15,00,000	13,257	52,46,019	31,16,591	2,62,29,370	36,99,989	3,98,05,224	3,21,97,714

\* The company is in the process of getting the lands registered in its name which is currently under dispute but management expects a favourable outcome in this matter



**NOTE: 10****INVESTMENTS : NON-CURRENT****Unquoted**

Non Trade Investments (Unquoted, as valued at cost less provision)

Investments in Equity Shares

Nil (Previous year: 3,005) Equity Share of - 84,014

Rs.10/-each fully paid in Apollo Sindhoori

Less: Provision for diminution in value of investment - (53,964)

-	30,050
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Note:

1. Aggregate amount of unquoted investments - 65,750

1. Aggregate amount of diminution of value of investment - 1,18,074

**NOTE: 11A****LONG-TERM LOANS AND ADVANCES**

Security Deposits 3,94,94,681 3,70,42,340

Margins with Exchange 4,09,10,000 4,09,10,000

Considered Doubtful 18,75,000 18,75,000

4,27,85,000	4,27,85,000
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Less: Provision for Doubtful (18,75,000) (18,75,000)

4,09,10,000	4,09,10,000
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Advance Tax (Net of Provision) 4,74,92,134 2,72,87,808

MAT Credit Entitlement 52,06,165 36,11,905

Prepaid Expenses 5,14,441 4,87,881

<b>13,36,17,421</b>	<b>10,93,39,934</b>
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**NOTE: 11B****SHORT-TERM LOANS AND ADVANCES**

(Unsecured, Considered Good, except otherwise stated)

Advances recoverable in cash or in kind or for value to be received

Advances recoverable in cash or Kind

Considered Good 12,21,81,569 12,99,74,784

Considered Doubtful 7,59,39,203 6,63,17,568

19,81,20,772	19,62,92,352
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Less: Provision for Doubtful (7,59,39,203) (6,63,17,568)

<b>12,21,81,569</b>	<b>12,99,74,784</b>
---------------------	---------------------

Security Deposits 8,26,050 20,66,355

Considered Doubtful 8,75,090 3,66,500

17,01,140	24,32,855
-----------	-----------

Less: Provision for Doubtful (8,75,090) (3,66,500)

<b>8,26,050</b>	<b>20,66,355</b>
-----------------	------------------

Loans &amp; Advances to Related Party # 2,41,48,609 6,52,398

Margins with Exchange - Current 1,78,66,847 1,56,96,553

Balances with Govt. Authorities 49,89,528 65,46,005

Advances to Suppliers 47,78,099 2,31,59,843

Prepaid Expenses - Current 1,68,56,389 1,23,08,075

Gratuity (Funded) 1,29,67,397 -

Advances to Employees 48,05,716 29,63,476

Considered Doubtful 1,70,080 1,01,033

49,75,796	30,64,509
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Less: Provision for Doubtful (1,70,080) (1,01,033)

<b>48,05,716</b>	<b>29,63,476</b>
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<b>20,94,20,204</b>	<b>19,33,67,489</b>
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# Also, refer note 30

**NOTE: 12****OTHER Non-CURRENT ASSETS**

(Unsecured, Considered Good, except otherwise stated)

Receivable from Exchange 6,55,09,047 6,55,09,047

<b>6,55,09,047</b>	<b>6,55,09,047</b>
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**NOTE: 13****TRADE RECEIVABLES<sup>^</sup>**

Outstanding for a period exceeding 6 months from the date they are due for

Secured, Considered Good	3,83,71,377	8,26,66,869
Unsecured, Considered Doubtful	6,31,33,083	3,94,95,910
Less: Provision for doubtful	<u>(6,31,33,083)</u>	<u>(3,94,95,910)</u>
	3,83,71,377	8,26,66,869

Others

Secured, Considered Good	1,41,58,82,313	1,19,36,12,614
Unsecured, Considered Good	2,64,91,604	7,05,85,054
Unsecured, Considered Doubtful	10,29,170	16,42,864
Less: Provision for doubtful	<u>(10,29,170)</u>	<u>(16,42,864)</u>
	1,44,23,73,917	1,26,41,97,668
	<u><b>1,48,07,45,294</b></u>	<u><b>1,34,68,64,537</b></u>

<sup>^</sup>Trade receivables include pass through amounts representing dues from clients and exchanges towards transactions not fully settled as at the reporting date.

**NOTE: 14****CASH AND BANK BALANCES****Cash and Cash Equivalents**

Balances with Banks

Current Accounts	17,23,45,543	14,08,48,568
------------------	--------------	--------------

Cash on Hand

(A)

-	10,860
<u>17,23,45,543</u>	<u>14,08,59,428</u>

**Other Bank Balances**

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

(B)

(A) + (B)

70,64,61,013	58,36,69,919
<u>70,64,61,013</u>	<u>58,36,69,919</u>
<u>87,88,06,556</u>	<u>72,45,29,347</u>

\* Fixed deposits have been placed under lien towards bank guarantees Rs.312,998,781/- (Previous year: Rs.329,357,559/-), as margins with exchange Rs.383,281,729/- (Previous year : Rs.249,142,360/-) and as General a/c Rs.10,180,503/- (Previous year : Rs.5,170,000/-).



**NOTE: 12A**

**OTHER CURRENT ASSETS**

(Unsecured, Considered Good, except otherwise stated)

Accrued Income

69,22,676

82,03,291

Interest Accrued on Fixed Deposits

3,03,08,191

3,19,70,804

3,72,30,867

4,01,74,095



	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>NOTE: 15</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>A. Income from services</b>		
Brokerage income	96,89,95,071	91,36,55,863
Income from transaction charges	31,57,012	43,10,492
Account opening charges	22,98,864	24,45,621
Setup & Management fee	1,11,70,381	1,06,44,753
Income from depository services	4,51,93,145	4,07,10,151
	<u>1,03,08,14,473</u>	<u>97,17,66,880</u>
<b>B. Other operating income</b>		
V-sat rent	6,26,344	12,48,589
Interest and finance charges	21,44,20,225	22,08,42,850
	<u>21,50,46,569</u>	<u>22,20,91,439</u>
	<u>1,24,58,61,042</u>	<u>1,19,38,58,319</u>
<b>NOTE: 16</b>		
<b>OTHER INCOME</b>		
Interest Income		
Interest on bank deposits	5,29,64,366	5,99,17,020
Other interest income	61,695	8,82,669
Dividends Income on Investments		
Long-term	-	19,725
Net Gain on Sale of Investments	1,70,47,580	1,16,68,405
Profit on Sale of Fixed Assets (Net)	7,25,000	11,33,389
Insurance Claims Received	-	19,66,265
Advertisement Income	-	21,25,000
Miscellaneous Income (Net)	1,44,14,677	73,94,208
	<u>8,52,13,318</u>	<u>8,51,06,681</u>
<b>NOTE: 17</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	46,00,43,174	47,92,73,760
Contribution to Provident & Other Funds	2,81,44,355	3,39,43,985
Staff Welfare Expenses	1,16,60,947	1,08,34,866
	<u>49,98,48,476</u>	<u>52,40,52,611</u>
<b>NOTE: 18</b>		
<b>FINANCE COST</b>		
Interest Expenses	5,42,41,556	6,34,86,738
Other Borrowing Costs	1,52,407	3,06,166
	<u>5,43,93,963</u>	<u>6,37,92,904</u>
<b>NOTE: 19</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation of Tangible Assets	1,89,28,061	2,52,77,509
Amortisation of Intangible Assets	1,26,63,982	1,43,58,512
	<u>3,15,92,043</u>	<u>3,96,36,021</u>





**NOTE: 20****OTHER EXPENSES**

	<u>Year Ended March 31, 2017</u>	<u>Year Ended March 31, 2016</u>
Rent	5,71,48,409	6,33,12,106
Repairs and Maintenance of:		
Buildings	14,52,475	15,29,903
Others	2,80,80,831	2,50,53,896
Insurance	1,75,47,219	1,74,20,769
Rates and Taxes	83,53,649	1,01,43,393
Bandwidth Charges	3,35,88,508	2,65,89,548
Advertisement	27,70,955	29,62,425
Legal and Profession Expenses	2,71,36,732	2,31,01,062
Provision for Doubtful Debts	2,33,20,906	1,19,38,443
Provision for Doubtful Deposits and Advances	96,00,000	52,11,801
Loss on Sale of Assets	-	-
Printing and Stationery	43,70,677	58,96,425
Travelling and Conveyance	2,31,26,937	2,24,72,020
Communication Expenses	1,31,21,805	1,66,55,638
Bank, Collateral and Clearing Charges	99,42,483	1,21,70,516
Auditors' Remuneration*	37,79,702	38,74,053
Directors' Fees	7,60,000	6,60,000
Postage Expenses	29,66,868	62,18,799
Electricity Charges	1,37,78,354	1,45,52,628
Information Technology & Software Expenses	4,12,44,377	4,28,79,714
Miscellaneous Expenses	1,17,72,625	1,32,87,286
	<u><b>33,38,63,512</b></u>	<u><b>32,59,30,425</b></u>

\* Auditors' Remuneration includes payments to auditors as under:

As auditor:

Audit fee	12,00,000	11,50,000
Limited Reviews	13,50,000	13,50,000
Tax audit fee	2,00,000	2,00,000
Certification fees	2,50,000	2,50,000
Reimbursement of expenses	7,79,702	9,24,053
	<u><b>37,79,702</b></u>	<u><b>38,74,053</b></u>



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

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## **21) Assets forming part of claims made by the Ultimate Parent Company**

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

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

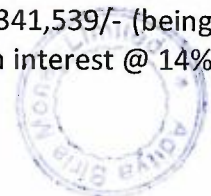
Subsequent to the completion of the above transaction, the Purchaser noted several breaches of representations and warranties including but not limited to non-recovery of debtors, irrecoverable advances, missing fixed assets etc. Accordingly, ABNL based on its internal assessment of the recoverability of receivables, fixed assets, other assets and matters relating to tax and other contingencies arrived at an amount of Rs 166,634,149 as Losses incurred on account of breach of representation warranties in the SPA. Further, ABNL vide its letter dated March 5, 2011 made a separate claim of Rs 5,169,379 for amounts becoming due and payable on accounts of various cases initiated by the customers of the Company. ABNL invoked the arbitration mechanism and filed their Statement of Claim on February 26, 2011 with the Arbitration Tribunal.

Pending the final outcome of the arbitration proceedings, the Company has identified all such receivables, assets etc which are have not been recovered and other items which are the subject matter of the claim to the extent they are in the books of accounts of the Company as at March 31, 2017 aggregating Rs. 187,597,255/- (previous year: Rs. 186,598,383/-) and disclosed the same in Short Term Loans & Advances in Note No 11B of the Balance Sheet, as these amounts would be paid directly to the Company by the Erstwhile Promoters at the direction of ABNL as and when the settlement happens.

Both report submitted by Professional Accounting firm and had also directed the Respondent to file their list of witnesses (if any) by the end of April 2013. The Respondents filed their objections to the audit report and ABNL had also filed its reply to the said objections.

Arguments in rebuttal by the Claimant was completed on 25 October 2013 and written submissions were filed by 29 October 2013. The tribunal has reserved the award.

During the FY 2014-15, Arbitral Tribunal has passed an award, allowing claim of Rs.102,395,606/-, which excluded premature claims pertaining to income tax, service tax, etc. Further, such award directed the Erstwhile Promoters to pay a sum of Rs. 57,341,539/- (being 56% of Rs.102,395,606/-, as ABNL has purchased only 56% of shares), alongwith interest @ 14% from the date of award. This award was received by ABNL on 27<sup>th</sup> May 2014.



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

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

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

Further in the month of October 2015, Supreme Court dismissed the appeal filed by the Company against SAT order directing the company to pay a sum of Rs. 1,65,96,652/- together with interest thereon. Consequently SEBI served a notice of demand on the Company seeking payment of a sum of Rs. 1,65,96,652/- towards turnover fee and a sum of Rs. 3,76,38,304/- and in the month of October 2016, Rs.1,129,149/- towards interest thereon from the respective due dates of payment of the said Turnover Fee.

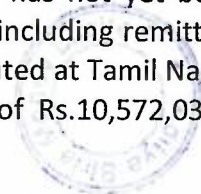
As the erstwhile promoters have agreed to indemnify ABNL to the extent of any losses resulting from or consequent upon the civil appeal pending before Supreme Court vide Civil Appeal No. 3441/2007 in the SPA, the demand was communicated to the erstwhile promoters and the erstwhile promoters have paid the total turnover fee of Rs. 1,65,96,652/- to the Company against the payment made by the Company to SEBI.

The request of the Company to SEBI seeking waiver of the interest was not considered favourably and the review petition filed by the Company in Supreme Court was also dismissed. In the meanwhile SEBI issued a Recovery Certificate dated 12.01.2016 seeking to recover the interest amount and the Company remitted the above mentioned interest amount with SEBI under intimation to erstwhile promoters.

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

## **22) Stamp duty**

Hitherto, the Company had been collecting and remitting stamp duties with respect to states wherein the manner of payment of the same has been prescribed by the respective state governments. From July 2011, the Company had started collecting stamp duty on contract notes for all states, including the states wherein the manner of payment has not yet been notified. The Company is evaluating various options of remitting the same, including remitting those amounts in the State of Tamil Nadu, as all the contract notes are executed at Tamil Nadu. Pending, the final determination of the manner of remittance, amount of Rs.10,572,030/-



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)*

(Previous year: Rs. 7,916,843/-) collected till March 31, 2017 has been disclosed under statutory dues in other current liabilities.

**23) Capital and other commitments**

- a) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for is Nil (Previous year – Nil).
- b) For commitments relating to lease arrangements, please refer note 28.

**24) Contingent Liabilities**

Particulars	March 31, 2017	March 31, 2016
<b>Disputed tax and other statutory liabilities not provided for:</b>		
(a) Income tax & interest tax - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	2,41,08,688	45,653,877
(b) Service tax - for various assessment years in respect of which the Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	7,06,517	7,989,907
(c) Provident fund – for the period from March 2009 to May 2011 for non-inclusion of certain components like allowances etc. while computing and remitting the employer and employees' contribution to provident fund. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	1,40,36,578	14,036,578
(d) Karnataka Stamp duty for the period from 2003-2008. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities	90,60,000	9,060,000
(e) VAT - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	10,61,025	1,061,025
<b>Contingent Liability not provided for on account of:</b>		
Claims against the Company not acknowledged as debts*	6,96,80,322	58,733,175



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017**

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

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

**25) Managerial Remuneration**

During an earlier year the Company had made an application to the Central Government under Section 309 (5B) of the Companies Act, 1956 for seeking waiver of excess managerial remuneration amounting to Rs.3,094,634 (Previous year: Rs.3,094,634) (excluding statutory contribution to provident fund, gratuity and leave encashment which are exempted under Schedule VI) paid to Mr. P.B. Subramaniyan, the erstwhile whole time director ('Erstwhile Director') of the Company for the period from April 1, 2008 to March 6, 2009.

During the previous year, the Company has received an order from the Central Government (CG) whereby the CG has rejected excess remuneration of Rs 1,626,614/- (Previous year: Rs.1,626,614/-) and directed the Company to collect the same from the Erstwhile Director. Further the Company has filed a civil suit in the High Court of Judicature at Madras vide C.S. No. 53/2016 seeking recovery of the excess remuneration paid to Mr. P.B. Subramaniyan. Pending the recovery of the same, it has been shown as advances recoverable by the Company in the Balance Sheet.

**26) Foreign currency transactions**

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

**27) Earnings per Share**

Particulars		March 31, 2017	March 31, 2016
Net profit (after tax) as per Statement of profit and loss	A	7,27,62,197	33,270,039
Weighted average number of equity shares			
- Basic and diluted	B	55,400,000	55,400,000
Earnings / (Loss) per share			
- Basic and diluted	A/B	1.31	0.60
Nominal value of equity share (in Rs.)		Re 1/-	Re 1/-



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)***28) Lease disclosures****Operating leases for premises:**

Lease rentals in respect of premises taken on operating lease during the year ended March 31, 2017 amounts to Rs. 5,51,61,283 (Previous Year Rs. 59,458,067).

Future obligations towards lease rentals under non-cancellable lease agreements as on March 31, 2017 amounts to Rs. 20,77,62,771/- (Previous Year Rs. 201,454,916/-). Details of Lease Rentals payable within one year and thereafter are as under:

Particulars	March 31, 2017	March 31, 2016
Within one year	4,32,69,525	41,743,365
Later than one year and not later than five years	12,12,36,232	121,519,311
Later than five years	4,32,57,014	38,192,240

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

**Operating leases for computers:**

The company has entered into commercial leases on computer desktops. These leases have an average life of three years with renewal option included in the contracts.

Lease rentals in respect of computers taken on operating lease during the year ended March 31, 2017 amounts to Rs. 2,795,464/- (Previous Year Rs. 3,854,039/-).

Future obligations towards lease rentals under non-cancellable lease agreements as on March 31, 2017 amounts to Rs. 2,500,954/- (Previous Year – Rs. 5,128,016/-). Details of Lease Rentals payable within one year and thereafter are as under:

Particulars	March 31, 2017	March 31, 2016
Within one year	17,93,898	2,627,062
Later than one year and not later than five years	7,07,057	2,500,954
Later than five years	-	-

**29) Employment Benefit disclosures**

The amounts charged to the Statement of Profit and Loss during the year for provident fund contribution aggregates to Rs. 1,95,23,266/- (Previous year – Rs. 21,45,878/-) and employees' state insurance contribution aggregates to Rs. 7,80,510/- (Previous year – Rs. 827,836/-).



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)*

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

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan of ABML.

**Amounts recognized in the Balance sheet in respect of gratuity**

Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	37,669,955	39,819,206
Fair value of plan assets	50,637,352	30,751,088
<b>Liability/(Asset) recognized in the balance sheet</b>	<b>(12,967,397)</b>	<b>9,068,118</b>

**Amounts recognized in the Statement of profit and loss in respect of gratuity**

Particulars	March 31, 2017	March 31, 2016
Current service cost	4,457,695	6,694,979
Interest cost on benefit obligation	3,024,112	2,590,301
Expected return on plan assets	(2,199,187)	(2,162,620)
Net actuarial (gain) / loss recognized in the year	7,19,993	3,471,113
<b>Net gratuity cost</b>	<b>60,02,613</b>	<b>10,593,773</b>

**Actual return on plan assets:**

Particulars	March 31, 2017	March 31, 2016
Expected return on plan assets	2,199,187	2,162,620
Actuarial gains / (losses) on plan assets	23,35,424	(599,626)
<b>Actual return on plan assets</b>	<b>45,34,611</b>	<b>1,562,994</b>

**Reconciliation of present value of the obligation and the fair value of plan assets:**

Particulars	March 31, 2017	March 31, 2016
Opening defined benefit obligation	39,819,206	29,188,092
Interest cost	3,024,112	2,590,301
Current service cost	4,457,695	6,694,979
Actuarial (gains)/ losses on obligation	30,55,417	2,871,487
Benefits paid Including Transfer In /(Out)	(12,686,475)	(1,525,653)
<b>Closing defined benefit obligation</b>	<b>37,669,955</b>	<b>39,819,206</b>

**Change in fair value of plan assets**

**Aditya Birla Money Limited**

**Notes to the Consolidated Financial statements for the year ended March 31, 2017**

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

Particulars	March 31, 2017	March 31, 2016
Opening fair value of plan assets	30,751,088	20,291,443
Expected return	2,199,187	2,162,620
Actuarial gains/(losses) on plan assets	(2,335,424)	(599,626)
Contributions by employer	28,038,128	10,422,304
Benefits paid	(12,686,475)	(1,525,653)
<b>Closing fair value of plan assets</b>	<b>50,637,352</b>	<b>30,751,088</b>

**Details of plan assets**

The plan assets represent Company's proportionate share in the Aditya Birla Nuvo Gratuity Fund managed by the ultimate parent company for the employees of the Company. The details of plan assets are as under:

Particulars	March 31, 2017	March 31, 2016
Government of India securities	12%	21%
Corporate Bonds	0%	1%
Insurer managed funds	60%	55%
Deposit Scheme	2%	2%
Others	26%	21%
	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

**Experience adjustments**

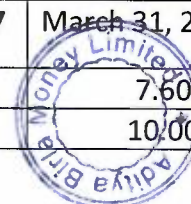
Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Experience adjustments (loss) / gain	1,667,537	1,735,811	(274,235)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Experience adjustments (loss) / gain	(387,351)	641,862	2,584,420

The Company does not expect to contribute additional amount to the fund in the next year.

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

	March 31, 2017	March 31, 2016
Discount rate (per annum)	6.70%	7.60%
Salary Growth Rate (per annum)	10.00%	10.00%





**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)*

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

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and amounts recognized in the balance sheet for the gratuity plan of the ABCBL which is unfunded.

**Amounts recognized in the Balance sheet in respect of gratuity**

Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	921,900	999,979
Fair value of plan assets	-	-
<b>Liability/(Asset) recognized in the balance sheet</b>	<b>921,900</b>	<b>999,979</b>

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

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

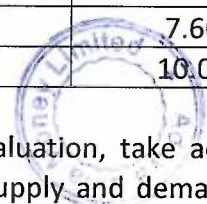
**Reconciliation of present value of the obligation**

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

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

Particulars	March 31, 2017	March 31, 2016
Discount rate (per annum)	6.70%	7.60%
Salary Growth Rate (per annum)	10.00%	10.00%

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



30. ADITYA BIRLA MONEY LTD - CONSOL

Ultimate Holding Company	Aditya Birla Nuvo Limited
Holding Company	Aditya Birla Financial Services Limited
Subsidiary Company	Aditya Birla Commodities Broking Limited

Related parties under AS 18 with whom transactions have taken place during the year	
Fellow subsidiary	Aditya Birla Finance Limited
	Aditya Birla Finance Limited (Wealth)
	Aditya Birla Financial Shared Services Limited
	Birla Sun Life Insurance Company Limited
	Aditya Birla Customer Services Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Idea Payment Bank Limited
	Aditya Birla Health Insurance company Limited
Aditya Birla Money Insurance Advisory Services Limited	

Key Management Personnel	Mr. Murali Krishnan L.R, Manager (Appointed as Manager with effect from 06.05.2016)
	Ms. Sumathy Ravichandran, CFO (Appointed as CFO on 06.05.2015 and ceased to be the Chief Financial Officer with effect from 31.07.2016)
	Mr. Pradeep Sharma, CFO (Appointed as CFO with effect from 01.08.2016 )
	Mr. Vikashh K Agarwal, Company Secretary

Sr. No.	Particulars	Closing Balance as on March 31,2017	Transactions 2016-17*	Closing Balance as on March 31,2016	Transactions 2015-16*
<b>I</b>	<b>Aditya Birla Nuvo Ltd</b>				
1	Reimbursement of Cost - Subscription expenses		-		12,312
2	Outstanding Balances - Payables	-		-	
<b>II</b>	<b>Aditya Birla Financial Services Ltd</b>				
1	Reimbursement of Cost - Manpower Cost		-		70,02,653
2	Contribution to Fund		-		4,59,683
3	Other Transaction - Directors appointment Refundable deposit		1,00,000		1,00,000
4	Reimbursement of Cost - Electricity, Rent, Staff welfare and other expenses		40,585	-	26,29,572
	Outstanding Balances - Payables	-		(1,92,361)	-
<b>III</b>	<b>Aditya Birla Finance Limited</b>				
1	Recovery of Cost - Rent & Other expenses		42,000		2,52,000
2	Recovery of Manpower cost		66,07,461		2,99,250
3	Custodian - Fee Recoverable		37,30,007		59,52,245
4	Brokerage Income (Debt)		31,55,777		-
5	Brokerage Income (Trading)		25,58,933		-
6	Referral Fee Expense		37,46,403		37,28,398
7	Referral Fee Income		65,65,485		-
8	Rent Reimbursement		29,31,673		-
9	Outstanding Balances - Receivables (Trade Receivable)	3,95,055		4,78,317	
	- Payables (Advances from customer)	(48,229)		-	
	- Payables (Trade payable)	(38,74,671)		(2,64,521)	
<b>IV</b>	<b>Aditya Birla Finance Limited (Wealth)</b>				
1	Expenses - Commission, - Management Fees		3,92,35,955		6,81,69,438
2	Client settlement		13,52,915		-
3	Recovery of Cost - Manpower cost		5,12,94,815		7,13,68,786
4	Reimbursement of Cost - Rent, Electricity, Staff welfare and other expenses.		11,61,936		55,82,379
5	Other Transaction-Trf. of Loan/Deposit		26,25,000		-
6	Other Transaction- Gratuity/Leave Encashment liability		1,62,47,115		18,47,649
7	Other Transaction - Rental Advances		5,00,000		10,94,932
9	Other Transaction - Asset Transfer		1,29,774		-
10	Recovery of Cost & Other expenses		21,99,164		-
11	Outstanding Balances - Payables	(1,04,41,467)		(14,63,249)	
<b>V</b>	<b>Aditya Birla Financial Shared Services Limited</b>				
1	Reimbursement of Cost - Manpower and other expenses		1,01,55,178		63,25,970
2	Reimbursement of Cost - Electricity, Staff welfare and other expenses		72,93,775		1,21,34,767
3	Prepaid Expenses		62,40,117		-
4	Contribution to Fund		11,26,097		5,66,823
5	Outstanding Balances - Payables	(51,17,665)		(2,79,177)	
	- Prepaid Expenses Balance	2,31,834		-	



<b>VI</b>	<b>Birla Sun Life Insurance Co Ltd</b>			
1	Income	1,01,60,336		92,05,718
2	Other Transaction- Advertisement income	-		21,25,000
3	Other Transaction- GTL Insurance Payment	-		1,12,830
4	Reimbursement of cost Lodging and Boarding	-		5,430
5	Recovery of cost Staff Training	-		1,00,000
6	Recovery of Rent & Other Expenses	46,392		-
7	Other Transaction- Gratuity/Leave Encashment liability	39,751		23,09,116
8	Outstanding Balances			
	- Payables	-	-	-
<b>VII</b>	<b>Aditya Birla Insurance Brokers Ltd</b>			
1	Recovery of Cost - Rent & Other Expenses	8,88,591	-	12,30,272
2	Other transactions : Variable Pay Liability/ leave encashment liability			82,725
3	Outstanding Balances			
	- Receivables	42,249	-	5,55,936
<b>VIII</b>	<b>Aditya Birla Customer Services P Ltd</b>			
1	Expenses - Commission, - Management Fees	21,46,137		21,41,414
2	Recovery of Cost - IT Support, Rent Expenses recovery	3,77,224		9,87,750
3	Recovery of Cost - Manpower expenses	21,56,147		40,50,013
4	Bonus Recovery	2,07,541		-
5	Bonus Payable	2,78,992		-
6	Reimbursement of Cost - Rent expenses	39,76,074		38,35,596
7	Other Transaction - Gratuity /Leave Encashment Liability	-		2,99,045
8	Income	36,093		12,349
9	Reimbursement of cost - Electricity Expenses , Security Charges and other expenses	7,82,682		-
10	Transaction Charges NSDL Recovery	13,800		-
11	KRA Service Recovery	6,06,491		-
12	Outstanding Balances:			
	- Receivables (Loans and Advances)	-		16,385
	- Payables (Trade payable)	(9,75,193)		(2,14,179)
	- Payables (Advances from Customer)	-		(3,41,518)
<b>IX</b>	<b>Aditya Birla Housing Finance Limited</b>			
1	Recovery of Cost - Rent	4,89,549		2,18,656
2	Outstanding Balances			
	- Receivables	65,587	-	80,391
<b>X</b>	<b>Aditya Birla Money Insurance Advisory Services Limited</b>			
1	Other Transaction- Gratuity/Leave Encashment liability	1,08,954		16,071
2	Other Deposit - Rental Deposit	96,000		-
3	Asset Transferred	1		-
4	Reimbursement of Rent and Other Expenses	2,09,645		-
5	Recovery of Rent and Other Expenses	43,252		-
6	Outstanding Balances			
	- Receivables	-		16,071
	- Payables	(1,42,227)		-
<b>XI</b>	<b>Aditya Birla Idea Payment Bank Limited</b>			
1	Recovery of Cost - Rent, Electricity, Staff welfare and other expenses	8,15,152		-
2	Gratuity Liability	22,52,106		-
3	Leave Encashment Liability	1,56,490		-
4	Festival Advance Recovery	1,37,275		-
5	Outstanding Balances			
	- Payables	(21,31,859)		-
<b>XII</b>	<b>Aditya Birla Health Insurance Company Limited</b>			
1	Reimbursement of Electricity charges	2,67,566		-
2	Group Deposit-GMC	1,57,68,833		-
3	Group Deposit-Top up	21,48,600		-
4	Outstanding Balances			
	- Payable	(3,02,348)		-
	- CD Balance	1,79,17,433		-
<b>XIV</b>	<b>Mr. P.Sudhir Rao</b>			
1	Director Sitting Fee	4,20,000		3,60,000
2	Reimbursement of Cost	-		60,692
<b>XV</b>	<b>Mr. G. Vijayaraghavan</b>			
1	Director Sitting Fee	3,20,000		3,00,000
2	Reimbursement of Cost	-		-
<b>XVI</b>	<b>Mr. Sudhakar Ramasubramanian</b>			
1	Brokerage Income	3,623		83,663
<b>XVII</b>	<b>Mr. TUSHAR HARENDRA SHAH</b>			
1	PMS Management Fees	64,466		-
2	Brokerage Income	2,988		-
<b>XVIII</b>	<b>Mr. Ajay Srinivasan</b>			
1	PMS Management Fees	76,496		86,851
2	Brokerage Income	255		1,570



<b>XIX</b>	<b>Mr. Srinivas Subudhi</b>			
1	Remuneration		-	21,03,380
2	Reimbursement of Cost		-	17,334
<b>XX</b>	<b>Ms. Sumathy Ravichandran</b>			
1	Remuneration		4,19,722	-
2	Reimbursement of Cost		8,459	-
<b>XXI</b>	<b>Mr. Pradeep Sharma</b>			
1	Remuneration		62,12,770	-
2	Reimbursement of Cost		16,033	-
<b>XXII</b>	<b>Mr. Vikashh K Agarwal</b>			
1	Remuneration		36,02,602	34,98,284
2	Reimbursement of Cost		37,354	1,16,241
<b>XXIII</b>	<b>Mr. Murali Krishnan L.R.</b>			
1	Remuneration		22,82,494	-
2	Brokerage Income		21	-
<i>*Amounts excluding service tax</i>				



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

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### **31) Stock options granted under ABML – Employee Stock Option Scheme – 2014**

The objective of the Employee Stock Option Scheme is to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability.

In accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as 'SEBI ESOP Regulations') and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense to be recognized for equity-settled transactions at each reporting date until the vesting date will reflect the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit to be recognized in the statement of profit and loss for a period to represent the movement in cumulative expense recognized as at the beginning and end of that period and is to be recognized in employee benefits expense. However, there is no expense that is incurred during the year by the Company for this purpose since the exercise price at which the options have been granted by the Company to eligible employees are at the market price of the Company and the market price of the shares under ESOP being less than the exercise price of the option. As per the ABML ESOP 2014, 25% of the stock option granted got vested at the end of twelve month from the date of grant of option but none of the employees exercised the vested option till 31<sup>st</sup> March 2017.

### **Stock options granted under ABML – Employee Stock Option Scheme – 2014**

In the previous year, the Company had formulated the ABML Employee Stock Option Scheme – 2014 (ABML ESOP Scheme – 2014) with the approval of the shareholders at the Annual General Meeting dated September 09, 2014. The Scheme provides that the total number of options granted there under will be 2,770,000 and to follow the Market Value Method (Intrinsic Value) for valuation of the Options. Each option, on exercise, is convertible into one equity share of the Company having face value of Rs. 1 each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on December 2, 2014 has granted 25,09,341 stock options to its eligible employees under the ABML ESOP Scheme – 2014 at an exercise price of Rs. 34.25/-. The Exercise Price was based on the latest available closing price, prior to the December 2, 2014 (the date of grant by the Nomination & Remuneration Committee) on the recognized stock exchanges on which the shares of the Company are listed with the highest trading volume.



(All amounts are in Indian Rupees unless otherwise stated)

### Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under

Options granted on December 02, 2014	2,509,341
Options outstanding as on April 01, 2016	1,979,120
No. of options granted during the year	Nil
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (Rs. per share)	34.25/-
Market price as on the date of the grant	34.25/-(previous day closing price on the recognized stock exchange)
Options forfeited/lapsed during the year	450,859
Options exercised during the year	Nil
Options outstanding as on March 31, 2017	1,445,845

The vesting period in respect of the options granted under ABML ESOP Scheme – 2014 is as follows:

Sr.No	Vesting Dates	% of options that shall vest
1	12 months from the date of grant	25% of the grant
2	24 months from the date of grant	25% of the grant
3	36 months from the date of grant	25% of the grant
4	48 months from the date of grant	25% of the grant

None of the employees have exercised the vested options.

The Company has granted options to the eligible employees at an exercise price of Rs. 34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the Company is not required to account the accounting value of option as per SEBI ESOP Regulations.

#### Fair Valuation:

The fair value of the options on the date of grant has been done by an independent valuer using Black-Scholes Formula.

The key assumptions are as under:

Risk-free interest rate (%)	8.13%
Expected life (No. of years)	5.00
Expected volatility (%)	54.26%
Dividend yield (%)	0.00
The price of the underlying share in market at the time of	Rs.34.25/-



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)*

option grant	
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Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net profit (As reported)	7,27,62,197	3,32,70,039
Less: Impact of Incremental cost under Fair value approach	64,04,136	166,49,387
Adjusted Net Profit	6,63,58,061	1,66,20,652
Number of Equity Shares	5,54,00,000	5,54,00,000
Basic earnings per share (as reported) (in Rs.)	1.31	0.60
Basic earnings per share (as adjusted) (in Rs.)	1.20	0.30
Diluted earnings per share (as reported) (in Rs.)	1.31	0.60
Diluted earnings per share (as adjusted) (in Rs.)	1.20	0.30

33) i) The Company has a process whereby periodically all long term contracts, if any, are assessed for material foreseeable losses. As at the balance sheet date, there were no long term contracts (including derivative contracts).

ii) The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other statutory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer note 24 for details on contingent liabilities.

**34) Portfolio Management Scheme**

The Company holds several accounts under Portfolio Management Scheme (PMS). These accounts are held by the company under fiduciary capacity and all services are rendered as per PMS Guidelines issued by the Security & Exchange Board of India (SEBI). In return for PMS services the Company is entitled to professional fee. The accounts of each PMS client is maintained by the company and is annually audited by an independent Chartered Accountant. Since the company renders PMS services under fiduciary capacity, the financials of each PMS clients does not form part of the financials of the Company. This has been done based on the



**Aditya Birla Money Limited****Notes to the Consolidated Financial statements for the year ended March 31, 2017***(All amounts are in Indian Rupees unless otherwise stated)*

opinion obtained from the Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI). A brief summary of the aggregated quantum of the funds received, funds invested, services fee charged and the balance available in the PMS accounts are produced below.

Particulars	Year ended 31st March 2017	Year ended 31st March 2016
Total quantum of funds received during the year under PMS Scheme	549,438,007	360,909,440
Accretion	4,244,083	869,255
Payable to Exchange(obligation)	4,37,48,139	10,646,470
Service charges received by the company	(17,412,101)	(15,050,132)
	<b>580,018,128</b>	<b>357,375,033</b>
Funds Invested	536,899,074	344,828,633
Closing Bank Balance	43,119,054	12,546,400
	<b>580,018,128</b>	<b>357,375,033</b>

**35) Segment reporting:**

The Company's business is to provide brokerage service and portfolio management services ('PMS') to its clients in the capital markets within India. All other activities of the Company revolve around these activities. PMS does not qualify as a Reportable Segment since it does not meet the criteria as mentioned in Para 27 of Accounting Standard on Segment Reporting (AS-17) and hence it is not disclosed separately

**36) Specified Bank Notes:**

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

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	500	7,442	7,942
(+) Permitted receipts/Withdrawals	-	48,058	48,058
(-) Permitted payments	500	54,696	55,196
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	804	804

**Explanation :** For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of





**Aditya Birla Money Limited**

**Notes to the Consolidated Financial statements for the year ended March 31, 2017**

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

Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.”


**37) Previous year figures**

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

**As per our report of even date**

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

Chartered Accountants  
ICAI Firm Registration Number:  
301003E/E300005


per Shrawan Jalan  
Partner


**Membership No.: 102102**


Date: April 28, 2017

Place: Mumbai

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

  
**Gopi Krishna Tulsian**  
Director  
DIN: 00017786

  
**Pradeep Sharma**  
Chief Financial Officer  
PAN : AHRPS6339L

  
**Tushar Shah**  
Director  
DIN: 07504267

  
**Vikashh K Agarwal**  
Company Secretary  
PAN : ACXPA6332J

