

**ADITYA BIRLA****MONEY****DIRECTORS' REPORT**

Dear Shareholders,

We are pleased to present the 8<sup>th</sup> Annual Report, along with the Audited Accounts of your Company for the financial year ended March 31, 2016.

**1. FINANCIAL PERFORMANCE SUMMARY****(₹ in Crore)**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Income from Operations	5.35	2.65
Other Income	0.78	0.70
Total Income	6.13	3.35
Profit / (Loss) before Interest, Depreciation and Taxation	(64.86)	(45.08)
Less : Interest	0.50	7.79
Profit / (Loss) before Depreciation and Taxation	(65.36)	(52.87)
Less : Depreciation	4.64	8.48
Profit / (Loss) Before Taxation	(70.00)	(61.35)
Less: Current Tax	-	-
Profit / (Loss) After Tax	(70.00)	(61.35)
Profit / (Loss) brought forward from previous year	(132.18)	(70.83)
Balance carried to Balance Sheet	<b>(202.18)</b>	<b>(132.18)</b>

**2. BUSINESS PERFORMANCE**

During the year under review, the Company achieved total revenue of ₹ 6.13 crore. The Loss before tax was ₹ 70.00 crore. The total customers registered as on 31st March 2016 on MyUniverse portal stands at 2.5 million.

**3. RESERVES**

During the year, no amount is proposed to be transferred to Reserves in view of the losses.

**4. DIVIDEND**

In view of losses for the year, your Directors do not recommend any dividend for the year under review.

Aditya Birla Customer Services Ltd.  
(Formerly known as Aditya Birla Customer Services Pvt. Ltd.)  
Cello Triumph, Unit No. 506, 'B' Wing,  
I. B. Patel Road, Opp. Laghu Udyog,  
Goregaon (East), Mumbai 400063.



Telephone +91 22 6180 2800  
Fax +91 22 6180 2812  
Website www.adityabirlamoney.com  
Online money management portal www.myuniverse.co.in  
Corporate website www.abfsg.com 1  
Email customercare@myuniverse.co.in



## 5. SHARE CAPITAL

The Authorised share capital of the Company is ₹ 40 Crore. The issued, subscribed and paid up capital of the Company is ₹ 27.393 Crores as on March 31, 2016 consisting of 18001124 Equity shares of ₹ 10/- each, 4695938 0.001% Compulsorily Convertible Preference Shares Class B of ₹ 10/- each and 4695938 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each .

## 6. MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMY & MARKETS

In FY16, the economic indicators as compared to FY15 with primary indicators like GDP, CAD and others being better compared to the previous year. GDP is expected to grow at 7.7% for FY16 compared to 7.10% in FY15 and makes us one of the fastest growing economies in the world according to IMF. Among the secondary indicators, inflation as measured under CPI has fallen to 4.91% and has been lower than the RBI target of 6% by Jan'16. The fall has been mainly due to lower MSP increases and fall in crude prices to multi year lows of USD 30 levels. Despite a lower than expected monsoon and uneven rains during the year, food inflation remained low as global agri commodities prices fell. Index of Industrial Production growth has been on par with previous year as manufacturing has been weak due to a global economic slowdown and capacity utilization still having scope to improve. The one major indicator which has been weak has been trade data as exports have shrunk drastically.

There was an outflow of USD 2.51bn from FIIs in FY16 against the inflows of USD 45.44bn seen in FY15 as markets were volatile in FY16 due to various global factors. FY16 saw outflows from both debt and equity markets as equities saw outflows of USD 2.01bn while debt saw outflows of USD 0.51bn. FII flows are expected to improve in FY17 as government reforms boost growth and since macro indicators are much better compared to other emerging markets.

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

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

The narrative in Emerging Markets (EM) is also similar with rise in corporate debt post 2008. Growth expectations of EM countries have also been downgraded to around 4.5% level down from an average of 6.5% in the previous decade. Most of the EM countries are net exporter of commodities and that has left them vulnerable in this low commodity price scenario. The EM corporate bond spreads are still low however we have seen some rise in spreads in

China. Most of the central banks in EM region including China have pumped liquidity in the system through its recent policy moves and this has helped the markets. However this has left EM vulnerable to another global economic crisis. Since EM is a vast encompassing term there are of course some exceptions including India.

## **ECONOMY**

The latest weather forecast points towards the likelihood of normal monsoon in FY17 after two consecutive years of below than normal rains. MSP increases for FY17 are expected to be in the range of 2-4% which should keep agri commodities prices from spiraling up. Risks however remains that bad monsoons may lead to CPI rising. RBI has cut policy rates by 150bps since Jan'15 and is expected to cut another 25bps by end of 2016 if the inflation remains favorable.

The key contributors in FY17 will be the reforms taken by the government to boost growth by bringing in bills like GST, Land Acquisition etc. The economy needs a major push in terms of spends on infrastructure and focus on manufacturing and increasing its share in the GDP.

Macroeconomic indicators like the core sector growth, Index of Industrial Production, Capital spends etc., which had slumped in the last two years have started improving in FY16 and with more scope to improve in FY17 as well. This process along with more proactive governmental support will help the economy hit 8% growth in the next few years.

CPI Inflation is indicating a sustainable moderation in core inflation, RBI has already moved into a soft money policy mode which is expected to continue for the next few years. Lower inflation expectations and lower interest rates would definitely add strength to the recovery process and help kick start the investment cycle as well.

## **7. PUBLIC DEPOSITS**

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

## **8. CORPORATE GOVERNANCE**

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

## **9. SUBSIDIARIES**

Your Company does not have any subsidiary, at present.

## **10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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



#### **11. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

The Company has in place adequate internal control systems commensurate with the size of its operations. The internal control systems, comprising of policies and procedures, are designed to ensure orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

#### **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to the financial statements.

#### **13. RISK MANAGEMENT POLICY**

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

#### **14. CORPORATE SOCIAL RESPONSIBILITY**

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

#### **15. RELATED PARTY TRANSACTIONS**

All Related Party Transactions ('RPT') that were entered into by the Company during the financial year were on an arm's length basis and in the ordinary course of business.

The Board has formulated a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. The Board has approved the criteria to be adopted at the time of granting omnibus approvals for the Related Party Transactions of the Company.

The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee for its approval on a quarterly basis.

Details of Related Party Transaction for the year 2015-16 are stated in note no. 32 (Annexure '2') of notes to Financial Statement for the year ended 31<sup>st</sup> March, 2016 and material Related Party Transaction for the year 2015-16 are stated in Form AOC – 2 enclosed as Annexure A.

#### **16. COST AUDIT**

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



## 17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of Energy, Technology absorption and Foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, are not applicable to the Company due to the very nature of industry in which it operates.

## 18. DIRECTORS

### CHANGES IN BOARD CONSTITUTION

As on March 31, 2016, your Board of Directors comprises of 4 Directors including 2 Independent Directors.

Mr. Ajay Srinivasan and Mr. Sudhakar Ramasubramanian, were appointed as Additional Director of the Company in the Board meeting held on May 6, 2015, and were further appointed as Director of the Company in the 7<sup>th</sup> Annual General Meeting of the Company.

Mr. Rajesh Shah, Additional Director of the Company, resigned from the Board as a Additional Director of the Company with effect from May 6, 2015. The Board places on record its deep appreciation for the services rendered by him during his tenure as the Director.

Mr. Anil Chirania, Director of the Company, resigned from the Board as a Director of the Company with effect from May 6, 2015. The Board places on record its deep appreciation for the services rendered by him during his tenure as the Director.

Mr. Inderbir Singh Dhingra was appointed as Additional Director of the Company (Nominee Director of International Financial Institution) in the Board meeting held on July 23, 2015 and further appointed as Nominee Director in the its 7<sup>th</sup> Annual General Meeting of the Company,

Mr. Sudhakar Ramasubramanian, Director of the Company, resigned as a Director of the Company with effect from April 30, 2016 on account of moving into a new role in group. The Board places on record its deep appreciation for the services rendered by him during his tenure as the Director.

Subject to the approval of the shareholders, the Board has on recommendation of the Nomination and Remuneration Committee appointed Mr. Gaurav Zutshi (DIN: 07504264) as an Additional Director of the Company with effect from May 04, 2016. In accordance with Section 161 of the Companies Act, 2013, Mr. Gaurav Zutshi holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible to be appointed as the Director of the Company.

The Company has received requisite disclosures and undertakings from all the Directors in compliance with the provisions of the Companies Act, 2013.





## BOARD MEETINGS

During the year, the Board of Directors of the Company met 5 (Five) times to deliberate on various matters. The meetings were held on May 06, 2015, July 07 2015, July 23, 2015, October 19, 2015 and January 20, 2016. Further details on the Board of Directors are provided in the Corporate Governance Report forming part of this Annual Report.

## COMPOSITION OF THE AUDIT COMMITTEE

In compliance of Section 177 of the Companies Act, 2013 the Company has Audit committee consisting of 3 Directors as on March 31, 2016. All the members of the Audit Committee are financially literate having accounting and related financial management expertise. The Audit Committee performs the functions and role in accordance with the provisions of the Companies Act, 2013 and the Audit Committee Charter.

The Audit Committee consists of the following three Non - Executive Directors, two third of them are Independent Directors:

- |                                 |   |          |
|---------------------------------|---|----------|
| 1. Mr. Subhash Chandra Bhargava | — | Chairman |
| 2. Mrs. Anita Ramachandaran     | — | Member   |
| 3. Mr. Shriram Jagetiya         | — | Member   |

During the year under review, the Board of Directors of the Company has accepted all the recommendations as put forth by the Audit Committee. The Audit Committee met 4 times during the year under review.

## COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

In compliance of the provisions of Section 178 of the Companies Act, 2013 the Board has constituted the Nomination And Remuneration Committee which comprises Mr. Subhash Chandra Bhargava, Mrs. Anita Ramachandaran and Mr. Shriram Jagetiya as its members.

## DECLARATION OF INDEPENDENCE

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

## FORMAL ANNUAL EVALUATION OF THE BOARD

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, Committees thereof, individual directors and the Chairman of the Board. The evaluation is based on criteria which include, among others, providing strategic perspective, chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees.

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



## KEY MANAGERIAL PERSONNEL

During the year under review Mr. Madhusudhan M. L. resigned from the post of Manager with effect from October 19, 2015. The Board of Directors in its meeting held on October 19, 2015 appointed Mr. Raghuvir Ajwani as the Manager of the Company with effect from October 19, 2015.

Mr. Amit Talekar resigned from the post of Company Secretary of the Company with effect from January 12, 2016. The Board of Directors in its meeting held on May 04, 2016 appointed Mr. Jaibind Kumar Sahu as Company Secretary of the Company with effect from May 04, 2016.

## POLICY ON REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Nomination and Remuneration Committee has recommended to the Board a policy which was subsequently revised on remuneration for the Directors, Key Managerial Personnel and other employees. The key highlights of the policy are reproduced herein below:

*Objectives of the Executive Remuneration Program:*

*Our executive compensation program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.*

*Our executive compensation program is intended to:*

- 1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis*
- 2. Emphasise "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.*

### **Appointment Criteria and Qualifications**

*The Committee while making appointments to the Board assess the approximate mix of diversity, skills, experience and expertise. The Committee shall consider the benefits of diversity in identifying and recommending persons to Board membership and shall ensure no member is discriminated on the grounds of religion, race, Origin, sexual orientation or any other physical or personal attribute.*

### **Business and Talent Competitors**

*We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size.*

### **Executive Pay-mix**

*Our executive pay-mix aims to strike the appropriate balance between key components:*

- (i) Fixed Cash compensation (Basic Salary + Allowances)*
- (ii) Annual Incentive Plan*
- (iii) Long-Term Incentives*
- (iv) Perks and Benefits*



**Performance Goal Setting**

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

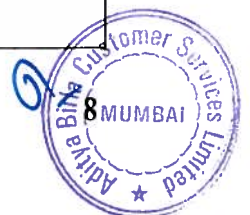
**Performance Measurement & Executive Benefits**

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for other benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

**19. DISCLOSURE PURSUANT TO SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 & SECURITIES EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014**

The Company had formulated the ABCSL Employee Stock Option Scheme – 2015 (ABCSL ESOP Scheme – 2015) with the approval of the shareholders at the Extra Ordinary - General Meeting dated July 08, 2015.

Nature of Disclosure	Particulars	
Options granted as on March 31, 2016	9,00,618	
Options vested as on March 31, 2016	Nil	
Options exercised as on March 31, 2016	Nil	
Total number of shares arising as a result of exercise of options	Nil	
Options lapsed	1,01,734	
Exercise Price	89/-	
Variation of terms of options	Nil	
Money realised by exercise of options	Nil	
Total number of options in force	7,98,884	
Employee-wise details of options granted	No. of options granted	No. of options outstanding
(i) Key Managerial Personnel		
Mr. Madhusudhan M L (Manager)	72,667	72,667
(ii) Any other employee who received a grant in any one year of option amounting to 5% or more of options granted during that year	Name of Employees & Designation	Number of Share
	Mr. Sudhakar Ramasubramanian – Director & Employee of Holding Company	1,99,835
	Mr. Rahul Parikh –Business Head	1,47,605
	Mr. Shekar Kamath - Vice President -IT	1,31,709
	Mr. Krishna Ramji - Vice President - Customer Acquisition	81,751





(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
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The Company has complied with and shall comply with the applicable provisions under the Companies Act, 2013.

## 20. INTERNAL AUDIT FRAMEWORK

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

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

As per the provisions of Section 138 of the Companies Act, 2013, M/s /s. Suresh Surana Associates LLP, Chartered Accountants have been re-appointed as the Internal Auditors by the Board of Directors of the Company. The audit scope and plans are approved by the Board every year.

Internal Audit Process followed by the Company is as follows:

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



## 21. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in the Annexure B to this report. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, including the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## 22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

## 23. DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of complaint received	:	Nil
No. of complaint disposed off	:	Nil

## 24. EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for the financial year March 31, 2016 in Form MGT-9 is given in Annexure to this report.

## 25. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors would like to assure the members that the Financial Statements, for the year under review, conform in their entirety to the requirements of the Companies Act, 2013:

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



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- a. in the preparation of the annual accounts, the applicable standards have been followed along with proper explanation relating to material departures, if any;
- b. appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the attached Statement of Accounts for the period ended March 31, 2016 have been prepared on a "going concern basis";
- e. proper internal financial controls were in place and that the financial controls were adequate and were operating efficiently.
- f. proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems were adequately and operating efficiently.
- g. all related party transactions are disclosed in notes to accounts at Note-32 in terms of Accounting Standard 18.

## 26. AUDITORS AND AUDITORS' REPORT

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai, (Registration No. 301003E), were appointed as the Statutory Auditors of the Company in the previous Annual General Meeting for a term of Five years from the conclusion of 7th Annual General Meeting till the conclusion of 12<sup>th</sup> Annual General Meeting subject to ratification by the members at every Annual General Meeting. The Financial year 2016-17 being the 2<sup>nd</sup> year of 5 years tenure of the auditor's appointment. A certificate from them has been received to the effect that their ratification of appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013. The Auditors have subjected themselves for the peer review process of the Institute of Chartered Accountants of India (ICAI) and they hold a valid certificate issued by the "Peer Review Board" of ICAI.

Further, it is proposed to ratify the appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai, (Registration No. 301003E) as the Statutory Auditors of the Company for the Financial year 2016 – 17. The observations, if any, made by the Auditors of the Company in their report read with relevant notes to the Accounts are self-explanatory and therefore do not call for any further comments.

## 27. SECRETARIAL AUDIT REPORT

In terms of the provision of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. BNP & Associates, Company Secretaries, Mumbai as the Secretarial Auditor for conducting a Secretarial Audit of the Company for the financial year ended March 31, 2016. The report of the Secretarial Auditors is attached as Annexure. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.



## 28. MANAGERIAL REMUNERATION

The details of the managerial remuneration are set out in the Extract of Annual Report – MGT -9 in clause no. Part VI (A) to the Annexure.

## 29. APPRECIATION

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

**For and on behalf of Board of Directors  
Aditya Birla Customer Services Limited**


Place: Mumbai

Shriram Jagetiya

Ajay Srinivasan

Date: 04/05/2016

Director

Director

DIN: 01638250

DIN: 00121181

**ANNEXURE 'A' TO DIRECTOR'S REPORT**

**Related Party Transaction in Form AOC -2**

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

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

1. Details of contracts or arrangements or transactions not on an arm's length basis:

**NIL**

2. Details of material contracts or arrangement or transactions on an arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements / transactions	Duration of the contracts /Arrangements /transactions;	Salient terms of the contracts or arrangements or transactions including the value, if any;	Date(s) of approval by the Board, if any; and	Amount paid as advances, if any.
Aditya Birla Money Mart Limited  (Fellow Subsidiary)	Availing and rendering of services	Ongoing transaction	i) Transaction Revenue - referral fees  ii) Reimbursement of common expenses incurred like advertisement and other official expenses.  Total transaction value for the FY 2015-16 is <b>Rs. 2,09,79,257</b>	Though the transaction is on arm's length basis, the Company had sought the approval of the Board of Directors on May 06, 2015 with the prior approval of the Audit Committee dated May 06, 2015.	Nil
Aditya Birla Money Limited  (Fellow Subsidiary)	Availing and rendering of services	Ongoing transaction	i) Reimbursement of common expenses incurred like office expenses and development		Nil





			<p>services. ii) Transaction Revenue – referral commission.</p> <p>Total transaction value for the FY 2015-16 is <b>Rs. 1,12,87,485</b></p>	
Aditya Birla Financial Shared Services Limited (Fellow Subsidiary)	Availing and rendering of services	Ongoing transaction	<p>i) Reimbursement of support charge -software /license</p> <p>Total transaction value for the FY 2015-16 is <b>Rs. 84,46,150</b></p>	Nil
Aditya Birla Financial Services Limited (Holding Company)	Availing and rendering of services	Ongoing transaction	<p>i) Reimbursement of common expenses incurred like office expenses and Function Support charges</p> <p>Total transaction value for the FY 2015-16 is <b>Rs. 2,26,30,581</b></p>	Nil

For and on behalf of Board of Directors  
Aditya Birla Customer Services Limited

Place: Mumbai

Date: 04/05/2016

  
Shriram Jagetiya

Director

DIN: 01638250

  
Ajay Srinivasan

Director

DIN: 00121181

**ANNEXURE "B" TO DIRECTOR'S REPORT**

**PARTICULARS OF EMPLOYEES AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

**EMPLOYED THROUGHOUT THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION AGGREGATING NOT LESS THAN RS.60,00,000/- PER ANNUM.**

Name	Designation	Remuneration (Rs)	Nature of Employment	Qualification and Experience	Date of Commencement	Age (Year)	Last Employment	% of Equity shares held by an Employee	Whether such Employee is a relative of any director or manager
Rahul Parikh	Business Head	1,19,06,086	Permanent	Masters-Professional having around 9 years experience	1-Apr-12	40 yrs	Birla Sun Life AMC Ltd.	NA	No
Shekar Kamath	Vice President	95,67,473	Permanent	Bachelor of Science having around 18 years experience.	1-Jul-11	47 yrs	Mphasis Ltd	NA	No
Krishna Ramji	Vice President	87,05,556	Permanent	Masters-Professional having around 18 years experience.	26-Apr-10	47 yrs	ICICI Bank	NA	No
Madhusudhan ML	Head - Business Development	63,90,884	Permanent	Masters-Professional having around 5 years experience.	1-May-11	38 yrs	Web 18 Securities Ltd	NA	No

**EMPLOYED FOR A PART OF THE YEAR, WAS IN RECEIPT OF REMUNERATION FOR ANY PART OF THE YEAR, AT A RATE WHICH, IN THE AGGREGATE WAS NOT LESS THAN RS. 5,00,000/- PER MONTH**

**NIL**



**Notes:**

1. Remuneration includes salary, bonus, incentive, allowances, medical benefits, Company's contribution to Provident Fund and Superannuation Fund, wherever applicable, leave encashment, leave travel assistance, and monetary value of taxable perquisites wherever applicable.
2. All appointments are non - contractual, terminable on appropriate notice on the either side. Other terms and conditions are as per the policies of the Company.
3. None of the employees mentioned above hold more than 2% of the equity shares of the Company, along with their spouse and dependent children.
4. None of the employees are related to any Director of the Company.

**For and on behalf of Board of Directors  
Aditya Birla Customer Services Limited**

  
**Shriram Jagetiya**  
Director  
DIN: 01638250

  
**Ajay Srinivasan**  
Director  
DIN: 00121181



**Place: Mumbai**

**Date: 04/05/2016**

**ANNEXURE TO DIRECTOR'S REPORT**

FormNo.MGT-9

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2015**

**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule12 (1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	U93000MH2008PLC186669
ii.	Registration Date	11 <sup>TH</sup> SEPT 2008
iii.	Name of the Company	Aditya Birla Customer Services Limited
iv.	Category/Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	Aditya Birla Center, S. K. Ahire Marg, Worli, Mumbai – 400 013. E-mail: <a href="mailto:customercare@myuniverse.co.in">customercare@myuniverse.co.in</a>
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/Service	% to total Turnover of the Company
1.	Aggregation, analysis, rule based recommendations and transactions to help individuals manage their personal finances that includes a. Advertising Revenue b. Subscription Revenue	63119 – Information Service Activities	58.24% 16.50 %
2	Distribution of Mutual funds	6499 - Other financial service activities, except insurance and pension funding Activities	25.25%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% if Shares held	Applicable Section
1.	Aditya Birla Financial Services Ltd Indian Rayon Compound, Veraval, Gujarat – 362 266	U67120GJ2007PLC058890	Holding	100%	2(87)(ii)



**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Shareholding**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)			No. of Shares held at the end of the year (As on 31-03-2016)			% Change during the year
		Demat	Physical	% of Total Shares	Demat	Physical	% of Total Shares	
<b>A.</b>	<b>Promoter</b>	-		-	-		-	-
<b>1.</b>	<b>Indian</b>	-		-	-		-	-
a)	Individual/-HUF	-	60	0.00035		60	0.00006	0.00029
b)	Central-Govt.	-		-	-		-	-
c)	State-Govt.(s)	-		-	-		-	-
d)	Bodies-Corporate		1,68,66,211	99.9996		1,68,66,211	93.6953	<b>6.3043</b>
e)	Banks-/-FI	-		-	-		----	----
f)	Any-Other	-		-	-		----	-
	Sub-total(A)(1):-		<b>1,68,66,211</b>	<b>99.9996</b>		<b>1,68,66,271</b>	<b>93.6953</b>	<b>6.304</b>
<b>2.</b>	<b>Foreign</b>	-		-	-		-	-
a)	NRIs-Individuals	-		-	-		-	-
b)	Other-Individuals	-		-	-		----	----
c)	Bodies-Corporate	-		-	-		----	----
d)	Banks-/-FI	-		-	-		----	----
e)	Any-Other	-		-	-		----	----
	Sub-total-(A)(2):-	-		-	-		-	-
	Total-Shareholding-of-Promoter(A)=(A)(1)+(A)(2)		<b>1,68,66,211</b>	<b>99.9996</b>		<b>1,68,66,271</b>	<b>93.6953</b>	<b>6.304</b>
<b>B.</b>	<b>Public-Shareholding</b>	-		-	-		-	-
<b>1.</b>	<b>Institutions</b>	-		-	-		-	-
a)	Mutual-Funds	-		-	-		-	-
b)	Banks-/-FI	-		-	-		-	-
c)	Central-Govt.	-		-	-		-	-
d)	State-Govt(s)	-		-	-		-	-
e)	Venture-Capital-Funds	-		-	-		-	-
f)	Insurance-Companies	-		-	-		-	-





Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)			No. of Shares held at the end of the year (As on 31-03-2016)			% Change during the year
		Demat	Physical	% of Total Shares	Demat	Physical	% of Total Shares	
g)	FII's	-		-	-		-	-
h)	Foreign-Venture-Capital-Funds	-		-	-		-	-
i)	Others-							
	Sub-total-(B)(1)							
<b>2.</b>	<b>Non-Institutions</b>	-		-	-		-	-
a)	Bodies-Corporate	-		-	-		-	-
(i)	Indian							
(ii)	Overseas							
b)	Individuals							
(i)	Individual-shareholders-holding-nominal-share-capital-upto-Rs.1-lakh							
(ii)	Individual-shareholders-holding-nominal-share-capital-in-excess-of-Rs.1-lakh							
c)	Others							
(i)	Clearing-Members							
(ii)	HUF							
(iii)	NRI							
(iv)	Trusts					11,34,853	6.3043	6.3043
	Sub-total-(B)(2)					11,34,853	6.3043	6.3043
	Total-Public-Shareholding-(B)=(B)(1)+-(B)(2)							
<b>C.</b>	Shares-held-by-Custodian-for-GDRs-&-ADRs							
	<b>Grand-Total-(A+B+C)</b>		1,68,66,271	100.00		1,80,01,124	100	12.60889



ii. Shareholding-of-Promoters

Sr. No	Shareholder' Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the year (As on 31-03-2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of-Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	
1.	Aditya Birla Financial Services Limited	1,68,66,271	100	N.A.	1,68,66,271*	93.70	N.A.	6.30
	<b>Total</b>	<b>1,68,66,271</b>	<b>100</b>	<b>N.A.</b>	<b>1,68,66,271*</b>	<b>93.70</b>	<b>N.A.</b>	<b>6.30</b>

\*includes 60 shares belonging to the individuals however the beneficial ownership lies with ABFSL

iii. Change in Promoters' Shareholding

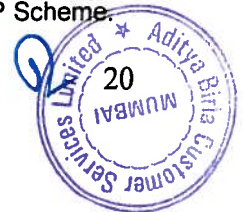
	Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the year (As on 31-03-2016)	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	1,68,66,271	100	NIL	--
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding of promoters between 01-04-2015 and 31-03-2016			
At the End of the year	1,68,66,271	100	1,68,66,271	100

\*includes 60 shares belonging to the individuals however the beneficial ownership is with ABFSL

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

Sl.-No	NA	Shareholding-at-the-beginning-of-the-year-		Cumulative-Shareholding-during-the-year	
		-No.-of-Shares-	-%-of-total-Shares-of-the-Company-	-No.-of-Shares-	-%-of-total-Shares-of-the-Company-
1	At-the-beginning-of-the-year	Nil	---	Nil	---
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	11,34,853*	6.3043	11,34,853	6.3043
3	At-the-end-of-the-year-(or-on-the-date-of-separation,-if-separated-during-the-year)			11,34,853	6.3043

\*Share issued to Aditya Birla Customer Services Employee Welfare Trust under ESOP Scheme.



v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of shares at the beginning (01-04-2015) / End of the year (31-03-2016)	% of total shares of the company				No. of Shares	% of total shares of the company
A.	<b>DIRECTORS:</b>							
1.	Mr. Shriram Jagetiya	10	0.0001	01-04-15 31-03-16	- -	NA	- -	- -
2.	Mr. Ajay Srinivasan	- -	- -	01-04-15 31-03-16	- -	NA	- -	- -
3.	Mr. Sudhakar Ramasubramanian	-	-	01-04-15 31-03-16	- -	NA	-	-
4.	Mr. S.C. Bhargava	-	-	01-04-15 31-03-16	-	NA	-	-
5.	Mrs. Anita Ramachandran	-	-	01-04-15 31-03-16	-	NA	-	-
6.	Mr. Inderbir Singh Dhingra	-	-	01-04-15 31-03-16	-	NA	-	-
B.	<b>KEY MANAGERIAL PERSONNEL</b>							
1.	Mr. Amit Talekar (Company Secretary) (Resigned on 12.01.2016)	-	-	01-04-15 31-03-16	- -	NA	-	-
2.	Mr. Raghuvir Ajwani (CFO & Manager) (Appointed as Manager with effect from 19.10.2015)	- -	- -	01-04-14 31-03-15	- -	NA	- -	- -
3.	Mr. Madhusudhan M L (Manager) (Resigned on 01.10.2015)	- -	- -	01-04-14 31-03-15	- -	NA	- -	- -



**V. INDEBTEDNESS**

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

	Secured Loans excluding de- posits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the begin- ning of the financial year				
i. Principal Amount	-	10,10,00,000		10,10,00,000
ii. Interest due but not paid	-			
iii. Interest accrued but not due	-			
Total(i+ii+iii)	-	10,10,00,000		10,10,00,000
Change in Indebtedness during the financial year				
- Addition		9,25,26,917		9,25,26,917
- Reduction		10,10,00,000		10,10,00,000
Net Change	-	(84,73,083)		(84,73,083)
Indebtedness at the end of the financial year				
i. Principal Amount	-	9,25,26,917		9,25,26,917
ii. Interest due but not paid	-			
iii. Interest accrued but not due	-			
Total (i+ii+iii)	-	9,25,26,917		9,25,26,917

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No.	Particulars of Remuneration	*Madhusudhan M L (Manager)	**Raghuvir Ajwani (Manager)	Total Amount
1.	Gross salary a) Salary as per provisions con- tained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18,52,101	9,95,137	28,47,238
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others	18,96,075	4,10,469	23,06,544
6.	Total(A)	37,48,176	14,05,606	51,53,782
	Ceiling as per the Act	60,00,000		90,00,000

\* Mr. Madhusudhan M L resigned from the post of the Manager with effect from October 19, 2015.

\*\*Mr. Raghuvir Ajwani was appointed as the Manager with effect from October 19, 2015.



✓

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration			Total Amount
1.	<u>Independent Directors</u>	Mr. S. C. Bhargava	Mrs. Anita Ramachandran	
	- Fee for attending board committee meetings	3,50,000	2,75,000	6,25,000
	- Commission			
	- Others			
	Total(1)	-	-	
2.	<u>Other Non- Executive Directors</u>			
	- Fee for attending board committee meetings	-	-	-
	- Commission	-	-	-
	- Others	-	-	-
	Total(2)	-	-	-
	Total(B)=(1+2)	3,50,000	2,75,000	6,25,000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	*Amit Talekar (Company Secretary)	Raghuvir Ajwani, Chief Financial Officer	Total
1.	Gross salary	<b>NOT APPLICABLE</b>	(in Rs.)		
	- Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		5,10,167	22,59,219	27,69,386
	- Value of perquisites u/s 17(2) Income tax Act, 1961				
	- Profits in lieu of salary under section 17(3) Income tax Act, 1961		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission	-	-	-	
5.	Others		72,704	4,10,469	4,83,173
6.	Total		582871	2669688	3252559

\*Mr. Amit Talekar was resigned from the post of the Company Secretary vide his letter dated January 12, 2016.





**V. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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

**For and on behalf of Board of Directors  
Aditya Birla Customer Services Limited**

   
Shriram Jagetiya      Ajay Srinivasan



Place: Mumbai

Date: 04/05/2016

Director

DIN: 01638250

Director

DIN: 00121181

✓

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the financial year ended 31<sup>st</sup> March, 2016

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

To  
The Members  
**Aditya Birla Customer Services Limited**  
**(Formerly: Aditya Birla Customer Services Private Limited)**  
Aditya Birla Centre,  
S.K. AhireMarg, Worli,  
Mumbai – 400 030.

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

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

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

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;

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

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



JSP

Page 1 of 4

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

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

**We further report that -**

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

Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that-**

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



*JSP*

Page 2 of 4

**We further report that during the audit period, the Company has:**

1. Obtained approval of members with respect to the Aditya Birla Customer Services Limited – Employee Stock Option Scheme – 2015 ('Scheme 2015') and formation of Aditya Birla Customer Services Limited – Employee Welfare Trust (EWT).
2. Issued and allotted 11,34,853 Equity shares of Rs.10/- each at an issue price of Rs.89/- per share under the ABCSL – ESOP, 2015 Scheme to EWT.
3. Issued and allotted 19,56,641 Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each at an issue price of Rs.127.77 on preferential basis.
4. Issued and allotted 24,45,938– 0.001% Class B Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each at an issue price of Rs.127.77 on Right basis.

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



Place: Mumbai

Date: 27/4/2016

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

Jatin S. Popat  
Partner

FCS 4047 / CP No.6880

**Annexure I to the Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2016**

To,  
The Members,  
Aditya Birla Customer Services Limited  
(Formerly: Aditya Birla Customer Services Private Limited)

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

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

For BNP & Associates  
Company Secretaries

[Firm Regn. No. P2014MH037400]



*Jatin S. Popat*

Jatin S. Popat  
Partner

FCS 4047 / CP No.6880

Place: Mumbai

Date: 27/4/2016



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Aditya Birla Customer Services Limited

**Report on the Financial Statements**

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

**Opinion**

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

**Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 28 to the financial statements. As at March 31, 2016, the Company has accumulated losses of Rs. 2,02,18,23,154 against equity of Rs. 18,00,11,240. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, which is dependent on establishing profitable operations and obtaining continuing financial support from its shareholders. These mitigating factors have been more fully discussed in Note 28 to the accompanying financial statements, in view of which the financial statements have been prepared under the going concern assumption, and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts.



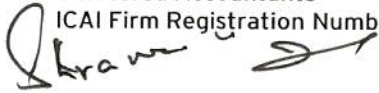
## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 4<sup>th</sup> May 2016





**Annexure A referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date****Re: Aditya Birla Customer Services Limited ('the Company')**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (vii)(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, , service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

**Statement of Arrears of Statutory Dues Outstanding for More than Six Months:**

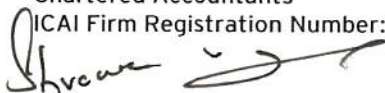
Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
THE TAMILNADU PANCHAYATS ACT, 1994	Professional tax	366	JULY 2015 & AUG 2015	30-9-15	-	-



- (vii)(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year under review and hence not commented upon,
- Further in respect of convertible shares issued during the year, the Company has complied with provisions of section 42 of the Companies Act, 2013. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & CO. LLP  
Chartered Accountants

ICAI Firm Registration Number: 301003E /E300005



per Shrawan Jalan  
Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 4<sup>th</sup> May 2016





**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADITYA BIRLA CUSTOMER SERVICES 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 Customer Services Limited

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

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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

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

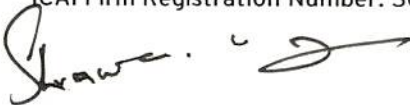
**Opinion**

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

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 4<sup>th</sup> May 2016





ADITYA BIRLA CUSTOMER SERVICES LIMITED  
( FORMERLY KNOWN AS ADITYA BIRLA CUSTOMER SERVICES PRIVATE LIMITED )  
BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Notes	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>EQUITY AND LIABILITIES</b>			
(A) <b>Shareholders' funds</b>			
Share Capital	3	27,39,30,000	21,85,55,680
Reserves and Surplus	4	(28,36,53,121)	(19,18,36,470)
Sub total (A)		(97,23,121)	2,67,19,210
(B) <b>Non-current liabilities</b>			
Long-term borrowings	5	-	10,10,00,000
Other Long-term liabilities	6	19,66,173	
Long-term provision	6A	60,62,465	40,37,119
Sub total (B)		80,28,638	10,50,37,119
(C) <b>Current liabilities</b>			
Short-term borrowings	7	9,25,26,917	
Trade payables	7A	14,79,48,760	16,19,55,436
Other current liabilities	8	4,70,12,170	2,68,09,597
Short-term provisions	9	45,27,951	28,57,069
Sub total (C)		29,20,15,798	19,16,22,102
<b>TOTAL</b>		<b>29,03,21,315</b>	<b>32,33,78,431</b>
<b>ASSETS</b>			
(D) <b>Non current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	1,31,59,448	1,78,63,950
Intangible assets	11	7,30,98,923	4,74,80,219
Intangible assets under development		1,51,04,686	94,45,341
<b>Long term loans and advances</b>	12	15,02,27,505	5,72,36,527
Sub total (D)		25,15,90,562	13,20,26,037
(E) <b>Current assets</b>			
Current Investments	13	-	17,49,32,747
Trade receivables	14	2,73,54,618	95,25,254
Cash and bank balances	15	44,886	6,13,599
Short term loans and advances	16	1,13,31,249	62,80,794
Sub total (E)		3,87,30,753	19,13,52,394
<b>TOTAL</b>		<b>29,03,21,315</b>	<b>32,33,78,431</b>

Significant accounting policies and Notes to Accounts 2.1  
Notes referred to above form an integral part of the financial statements

As per our report of even date  
For S R BATLIBOI & CO. LLP  
ICAI Firm registration no: 301003E/E300005  
Chartered Accountants

*Shrawan*

per Shrawan Jalan  
Partner  
Membership No 102102

Place : Mumbai  
Date: 04-05-2016



For and on behalf of the Board of Directors of  
Aditya Birla Customer Services Limited  
( Formerly Known as  
Aditya Birla Customer Services Private Limited )

*Shriram Jagetiya*

Shriram Jagetiya  
Director  
DIN : 01638250

*Ajay Srinivasan*

Ajay Srinivasan  
Director  
DIN : 00121181

*Raghuvir Ajwani*  
Raghuvir Ajwani  
Chief Finance Officer



ADITYA BIRLA CUSTOMER SERVICES LIMITED  
( FORMERLY KNOWN AS ADITYA BIRLA CUSTOMER SERVICES PRIVATE LIMITED )  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

Particulars	Notes	For the year ended March 31, 2016 Rs.	For the year ended March 31, 2015 Rs.
Revenue from operations	17	5,35,52,240	2,64,52,029
Other Income	18	78,28,092	70,50,470
<b>Total Revenue</b>		<b>6,13,80,332</b>	<b>3,35,02,499</b>
<b>Expenses</b>			
Employee benefits expenses	19	13,76,31,513	10,51,87,282
Finance cost	20	50,06,156	7,78,98,190
Depreciation and amortisation expenses	10 & 11	4,63,56,755	8,48,07,946
Other expenses	21	57,23,47,675	37,91,39,342
<b>Total Expenses</b>		<b>76,13,42,099</b>	<b>64,70,32,760</b>
<b>Profit/(Loss) before tax</b>		<b>(69,99,61,767)</b>	<b>(61,35,30,261)</b>
<b>Provision for tax:</b>			
- Current tax		-	-
- Deferred tax		-	-
<b>Profit/(Loss) after tax</b>		<b>(69,99,61,767)</b>	<b>(61,35,30,261)</b>
<b>Basic earnings per share - Rs. (Refer Note 24)</b>		<b>(39.96)</b>	<b>(53.77)</b>
<b>Diluted earnings per share - Rs. (Refer Note 24)</b>		<b>(39.96)</b>	<b>(53.77)</b>
(Face value of Rs 10/- each)			
Significant accounting policies and Notes to Accounts Notes referred to above form an integral part of the financial statements	2.1		

As per our report of even date  
For S R BATLIBOI & CO. LLP  
ICAI Firm registration no: 301003E/E300005  
Chartered Accountants



per Shrawan Jalan  
Partner  
Membership No 102102

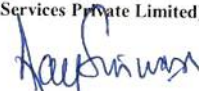
Place : Mumbai  
Date : 04-05-2016



For and on behalf of the Board of Directors of  
Aditya Birla Customer Services Limited  
(Formerly Known as Aditya Birla Customer Services Private Limited)



Shriram Jagetiya  
Director  
DIN : 01638250



Ajay Srinivasan  
Director  
DIN : 00121181



Raghuwaj Aiwani  
Chief Finance Officer



ADITYA BIRLA CUSTOMER SERVICES LIMITED  
( FORMERLY KNOWN AS ADITYA BIRLA CUSTOMER SERVICES PRIVATE LIMITED )  
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Amount in Rupees

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash flow from operating activities</b>		
Net loss before tax	(69,99,61,767)	(61,35,30,261)
Depreciation and Amortisation	4,63,56,755	8,48,07,946
Profit on Sale from Current Investments	(77,81,069)	(9,39,162)
Provision for doubtful debt	5,70,000	10,39,370
Excess Provision Written Back	-	(60,89,346)
Interest on Income Tax Refund	(47,023)	(21,962)
Dividend on Current Investments	-	-
Interest expenses	50,06,156	7,78,98,190
<b>Operating profit before working capital changes</b>	<b>(65,58,56,948)</b>	<b>(45,68,35,226)</b>
<b>Movements in working capital:</b>		
(Increase) / Decrease in short term loans and advances	(36,83,508)	2,88,77,816
(Increase) / Decrease in long term loans and advances	(9,29,90,978)	(5,31,62,432)
(Increase) / Decrease in trade receivable	(1,83,99,364)	(71,72,620)
Increase / (Decrease) in long-term provision	20,25,346	30,15,856
Increase / (Decrease) in other long-term liabilities	19,66,173	-
Increase / (Decrease) in trade payables	(1,40,06,675)	12,80,08,949
Increase / (Decrease) in other current liabilities	2,02,02,573	79,81,989
Increase / (Decrease) in short-term provisions	16,70,882	10,60,204
<b>Cash generated from / (used in) Operations</b>	<b>(75,90,72,499)</b>	<b>(34,82,25,464)</b>
Tax deducted at source	(13,66,948)	(4,66,038)
Interest on Income Tax Refund	47,023	21,962
<b>Net Cash Flow used in Operating activities (A)</b>	<b>(76,03,92,424)</b>	<b>(34,86,69,540)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Tangible Assets	(78,64,025)	(84,80,863)
Purchase of Intangible Assets	(5,94,06,932)	(3,11,93,784)
(Increase)/Decrease in capital work in progress	(56,59,345)	(64,66,621)
(Increase)/Decrease in current Investment	17,49,32,747	(17,49,32,747)
Profit on Sale from Current Investments	77,81,069	9,39,162
<b>Net Cash Flow from / (used in) Investing activities (B)</b>	<b>10,97,83,514</b>	<b>(22,01,34,853)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issuance of Equity Share Capital	10,10,01,917	61,10,98,119
Proceeds from issuance of Compulsarily Convertible Preference Shares	56,25,17,519	63,74,82,478
Increase / (Decrease) in Long-term borrowings	(10,10,00,000)	(61,11,00,000)
Increase / (Decrease) in Short-term borrowings	9,25,26,917	-
Interest on unsecured loans	(50,06,156)	(7,78,98,190)
<b>Net Cash Flow from Financing activities (C)</b>	<b>65,00,40,197</b>	<b>55,95,82,407</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)</b>	<b>(5,68,713)</b>	<b>(92,21,986)</b>
Cash and cash equivalent at beginning of the year	6,13,599	98,35,585
<b>Cash and cash equivalent at end of the year</b>	<b>44,886</b>	<b>6,13,599</b>
<b>Cash and cash equivalents include :</b>		
Balance with Banks	44,886	6,13,599
<b>Total</b>	<b>44,886</b>	<b>6,13,599</b>

Summary of Significant Accounting Policies

2.1

As per our report of even date  
For S R BATLIBOI & CO. LLP

ICAI Firm registration no: 301003E/E300005  
Chartered Accountants

per Shrawan Jalan  
Partner  
Membership No 102102  
Place : Mumbai  
Date : 04-05-2016



For and on behalf of the Board of Directors of Aditya Birla  
Customer Services Limited  
( Formerly Known as  
Aditya Birla Customer Services Private Limited )

*Shriram Jagetiya*  
Shriram Jagetiya  
Director  
DIN : 01638250

*Ajay Srinivasan*  
Ajay Srinivasan  
Director  
DIN : 00121181

*Raghuvir Ajwani*  
Raghuvir Ajwani  
Chief Finance Officer





**ADITYA BIRLA CUSTOMER SERVICES LIMITED**  
**( FORMERLY KNOWN AS ADITYA BIRLA CUSTOMER SERVICES PRIVATE LIMITED )**  
**Notes to Financial Statement for the year ended 31st March 2016**

(1) **Corporate Information :**

Aditya Birla Customer Services Limited (the 'Company') was incorporated on September 11, 2008 under the provisions of Companies Act, 1956. The main object the Company is to provide all kinds of financial services including but not limited to customer interaction, management services and consultancy services.

(2) **Basis of preparation :**

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013 . Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ( 'principal rules'), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016. The Company believes amended Accounting Standards should be followed for accounting periods commencing on or after the date of publication of the notification in the Official Gazette and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after March 30, 2016. Hence, these standards will apply in financial statements for the year beginning on or after 1 April 2016.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year, except for the change in accounting policy explained below.

(2.1) **Summary of significant accounting policies :**

(a) **Use of estimates :**

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

(b) **Tangible fixed assets :**

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

(ii) Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets.

Asset	Useful Life Prescribed by Schedule II of the Co. Act,2013	Estimated useful life
Furniture and fixtures	10 years	7 years
Computers	3 years	4 years
Office equipments	5 years	4 years

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

(iii) Assets costing Rs. 5,000 or less are written off in the year of purchase Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment

(iv) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(c) **Intangible fixed assets :**

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.





Intangible assets, viz. Software are amortised over a period of three financial years. License are amortised over the period of licence or three whichever is earlier

(d) **Borrowing costs :**

Borrowing Costs are charged to the Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest incurred in connection with arrangement of borrowings

(e) **Retirement and other employee benefits :**

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.

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

(f) **Taxation :**

Tax expense comprises of 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. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized 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.

(g) **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, 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. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements 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) **Revenue Recognition :**

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. The following specific recognition criteria must also be met before revenue is recognized:





### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### Dividends and Profit on Sale of Investments

Dividend income and Profit on sale of investments is recognized when the Company's right to receive dividend is established by the balance sheet date.

### (i) Leases :

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

### (j) Foreign currency transactions and balances :

#### (i) Initial recognition

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

#### (ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined. Exchange difference arising on such retranslation are recognized as income or expenses in the periods in which they arise.

### (k) Contingent Liabilities and Provisions :

#### Contingent Liabilities

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.

#### Provisions

Provision is recognized when the 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 their 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.

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

### (l) Earnings Per Share :

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

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

### (m) Segment Reporting

#### (i) Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

#### (ii) Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### (iii) Unallocated Items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

#### (iv) Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### (n) Cash and Cash Equivalents :

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less





NOTE 3 Share capital	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>Authorised Shares:</b>		
3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs 10/- each	3000,00,000	3000,00,000
1,00,00,000 (Previous year 1,00,00,000) Compulsorily Convertible Preference Shares of Rs 10/- each	1000,00,000	1000,00,000
	4000,00,000	4000,00,000
<b>Issued, Subscribed and Paid up Shares:</b>		
Equity Share Capital		
1,80,01,124 (Previous year 1,68,66,271) Equity Shares of Rs 10/- each	1800,11,240	1686,62,710
Preference Shares Capital		
93,91,876 (Previous year- 49,89,297) 0.001% Compulsorily Convertible Preference Shares (CCPS) of Rs 10 each	939,18,760	498,92,970
	2739,30,000	2185,55,680

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

**Equity shares**

Particulars	31st March, 2016		31st March, 2015	
	No of Shares	Rs	No of Shares	Rs
At the beginning of the year				
Issued during the year	168,66,271	1686,62,710	100,00,000	1000,00,000
Outstanding at the end of the year	11,34,853	113,48,530	68,66,271	686,62,710
	180,01,124	1800,11,240	168,66,271	1686,62,710

**Compulsory Convertible Preference Shares**

Particulars	31st March, 2016		31st March, 2015	
	No of Shares	Rs	No of Shares	Rs
At the beginning of the year				
Issued during the year	49,89,297	498,92,970	-	-
Outstanding at the end of the year	44,02,579	440,25,790	49,89,297	498,92,970
	93,91,876	939,18,760	49,89,297	498,92,970

2. Terms / Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and 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 be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. Terms / Rights attached to Compulsorily Convertible Preference Shares:

During the year ended 31 March 2016, the company issued 19,56,641 CCPS of face value Rs.10 each for a premium of Rs 117.77 per share fully paid up and 24,45,938 Class B CCPS of face value Rs 10 each for a premium of Rs 117.77 per share fully paid up. CCPS carry cumulative dividend @0.001% p.a.

The CCPS so issued are convertible on the occurrence of the earlier of the two events, namely:

(i) at the option of the holder

(ii) on the occurrence of the mandatory conversion event

Optional Conversion : Each CCPS shall be convertible at the option of the holder thereof, at any time by a written notice into such number of Equity Shares, calculated in such manner as mentioned in the Shareholders agreement

Mandatory Conversion : All of the CCPS shall mandatorily be converted in such manner and into such number of fully paid Equity Shares as mentioned in the agreement, upon the occurrence of listing of the entity.

In the event of liquidation before conversion of CCPS, the holders of the CCPS should be eligible for such claim, calculated in such manner as mentioned in the CCPS agreement.

4. Shares held by the Holding Company :

No of Shares	31-Mar-16 Rs	31-Mar-15 Rs
Aditya Birla Financial Services Limited.		
1,68,66,271 (Previous Year : 1,68,66,271) equity shares of Rs.10 each fully paid	1686,62,710	1686,62,710
46,95,938 (Previous Year : 22,50,000) 0.001% CCPS of Rs.10 each fully paid	469,59,380	225,00,000

5. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	No of Shares	% holding in the class	No of Shares	% holding in the class
<b>Equity shares of Rs.10 each fully paid</b>				
Aditya Birla Financial Services Limited.	168,66,271	93.70%	168,66,271	100%
Aditya Birla Customer Services Employee Welfare Trust	11,34,853	6.30%	-	-
<b>46,95,938 (Previous Year : 22,50,000) 0.001% CCPS of Rs.10 each fully paid</b>				
Aditya Birla Financial Services Limited	46,95,938	50%	22,50,000	45.09%
International Finance Corporation	46,95,938	50%	27,39,297	54.91%



Aditya Birla Customer Services Limited  
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Notes to financial statements for the year ended 31st March, 2016

NOTE 4 Reserves and surplus	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>Securities Premium</b>		
Balance as per last financial statements	11300,24,917	-
Add : Premium on issue of Equity Shares	896,53,387	5424,35,409
Add : Premium on issue of CCPS	5184,91,729	5875,89,508
<b>Closing Balance</b>	17381,70,033	11300,24,917
<b>Surplus/(Deficit) in the statement of Profit &amp; Loss</b>		
Balance as per last financial statement		
Loss for the year	(13218,61,387)	(7083,31,126)
Net Surplus/ (Deficit) in the Statement of Profit & Loss	(6999,61,767)	(6135,30,261)
	(20218,23,154)	(13218,61,387)
	<b>(2836,53,121)</b>	<b>(1918,36,470)</b>

NOTE 5 Long Term Borrowings	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
Loan from related party (Aditya Birla Nuvo Limited)	-	1010,00,000
	-	1010,00,000

Terms and Conditions

Loan from Aditya Birla Nuvo Limited

Repayment :

- Rs Nil - (Previous Year-10,10,00,000)
- Nil (Previous year -11.50% - Interest reset monthly)

NOTE 6 Other Long-term liabilities	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
Advance Income-Long term	7,55,442	
Rent equalisation liability	12,10,731	
	19,66,173	-

NOTE 6 A Long term provision	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
<b>Provision for employee benefits :</b>		
Provision for gratuity (Refer Note 27)	42,16,893	29,30,531
<b>Other Provisions</b>		
Warranty provision (Refer Note 29)	18,45,572	11,06,588
	60,62,465	40,37,119

NOTE 7 Short term borrowings	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
Overdrawn Bank Balance	925,26,917	-
	925,26,917	-

NOTE 7A Trade payables	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
Payables for salaries, wages, bonus and other employee benefits	230,25,197	378,61,188
Payable for other expenses	-	-
Total outstanding dues of micro enterprises and small enterprises	1249,23,563	1240,94,248
Total outstanding dues of creditors other than micro enterprises and small enterprises	1479,48,760	1619,55,436

NOTE 8 Other current liabilities	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
Statutory dues	173,40,761	158,22,096
Rent equalisation liability	2,81,036	10,14,473
Payables for capital expenditure	288,36,237	99,73,028
Advance Income	5,54,136	-
	470,12,170	268,09,597





Aditya Birla Customer Services Limited  
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Notes to financial statements for the year ended 31st March, 2016

NOTE 9

Short term provisions	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Provision for employee benefits :		
Provision for gratuity (Refer Note 27)	7,88,898	35,639
Provision for leave encashment	36,91,562	28,21,430
Other Provisions		
Warranty provision (Refer Note 29)	47,491	-
	45,27,951	28,57,069

NOTE 12

Long term loans and advances	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Long Term Security deposits	66,80,268	39,84,288
Prepaid expenses	3,78,624	6,72,599
Service tax input credit	1299,94,794	525,79,640
Service tax refund receivable	131,63,819	-
Others	10,000	-
	1502,27,505	572,36,527

NOTE 13

Current Investments	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Unquoted mutual funds		
Investment in :		
Nil (Previous Year : 7,86,514.001 units of Birla Sunlife Cash Plus- Growth Regular) (NAV as on 31st March 2016 : Rs.Nil; Previous Year Rs 224.28)	-	1749,32,747
	-	1749,32,747

NOTE 14

Trade receivables (Unsecured, considered good unless stated otherwise)	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Due for a period exceeding six months from the date they are due for payment :		
Unsecured, considered good	22,48,090	-
Doubtful	16,09,370	4,77,570
Provision for Doubtful Receivables	38,57,460	4,77,570
	16,09,370	4,77,570
	22,48,090	-
Other Receivables		
Unsecured, considered good	251,06,528	100,87,054
Doubtful	-	5,61,800
Provision for Doubtful Receivables	251,06,528	106,48,854
	-	5,61,800
	251,06,528	95,25,254
	273,54,618	95,25,254

NOTE 15

Cash and bank balance	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Cash and cash equivalent		
Balances with Banks in Current account	44,886	6,13,599
	44,886	6,13,599

NOTE 16

Short term loans and advances (Unsecured, considered good)	As at	As at
	March 31, 2016 Rs.	March 31, 2015 Rs.
Prepaid expenses	85,88,581	46,34,962
Advance to employees & Others	11,19,317	2,00,000
Advance Tax (Net of Provision)	12,81,832	7,60,395
Advance to Vendors	3,41,519	-
	113,31,249	62,80,794



**ADITYA BIRLA CUSTOMER SERVICES LIMITED**  
( FORMERLY KNOWN AS ADITYA BIRLA CUSTOMER SERVICES PRIVATE LIMITED )  
Notes to the Financial statements for the year ended 31st March, 2016

**Note 10**  
**Tangible Assets**

	Furniture & Fixtures	IT Equipments	Office Equipment	Total
<b>Gross Block</b>				
As at 1 April 2015				
Cost	5,55,306	4,97,17,302	6,37,756	5,09,10,364
Additions	2,91,090	69,62,708	6,10,227	78,64,025
Disposals/Adjustments	-	-	-	-
As at 31 March 2016	8,46,396	5,66,80,010	12,47,983	5,87,74,389
<b>Depreciation</b>				
As at 1 April 2015	4,67,040	3,24,38,434	1,40,940	3,30,46,414
For the year	43,990	1,23,06,856	2,17,681	1,25,68,527
Disposals/Adjustments	-	-	-	-
As at 31 March 2016	5,11,030	4,47,45,290	3,58,621	4,56,14,941
Net Block as at 31 March 2016	3,35,366	1,19,34,720	8,89,362	1,31,59,448
Net Block as at 31 March 2015	88,266	1,72,78,868	4,96,816	1,78,63,950

**Note 11**  
**Intangible Assets**

	Software	Total
<b>Gross Block</b>		
As at 1 April 2015		
Cost	25,16,41,304	25,16,41,304
Additions	5,94,06,932	5,94,06,932
Disposals/Adjustments	-	-
As at 31 March 2016	31,10,48,236	31,10,48,236
<b>Depreciation</b>		
As at 1 April 2015	20,41,61,085	20,41,61,085
For the year	3,37,88,228	3,37,88,228
Disposals/Adjustments	-	-
As at 31 March 2016	23,79,49,313	23,79,49,313
Net Block as at 31 March 2016	7,30,98,923	7,30,98,923
Net Block as at 31 March 2015	4,74,80,219	4,74,80,219



**Aditya Birla Customer Services Limited**  
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**Notes to financial statements for the year ended 31st March, 2016**

<b>NOTE 17</b> <b>Revenue from operations</b>	<b>For the year ended</b> <b>March 31, 2016</b> <b>Rs.</b>	<b>For the year ended</b> <b>March 31, 2015</b> <b>Rs.</b>
Subscription Revenue	88,36,366	100,58,843
Transaction Revenue	135,22,600	37,16,395
Advertisement Revenue	311,93,274	126,76,791
	<b>535,52,240</b>	<b>264,52,029</b>

<b>NOTE 18</b> <b>Other Income</b>	<b>For the year ended</b> <b>March 31, 2016</b> <b>Rs.</b>	<b>For the year ended</b> <b>March 31, 2015</b> <b>Rs.</b>
Profit on sale from current investment	77,81,069	9,39,162
Excess Provision Written Back	-	60,89,346
Interest on Income Tax Refund	47,023	21,962
	<b>78,28,092</b>	<b>70,50,470</b>

<b>NOTE 19</b> <b>Employee benefit expenses</b>	<b>For the year ended</b> <b>March 31, 2016</b> <b>Rs.</b>	<b>For the year ended</b> <b>March 31, 2015</b> <b>Rs.</b>
Salaries, Gratuity and bonus (Refer Note No 27)	1253,75,137	1000,74,298
Contribution to provident and other funds	51,14,162	21,47,916
Staff welfare expenses	71,42,214	29,65,068
	<b>1376,31,513</b>	<b>1051,87,282</b>

<b>NOTE 20</b> <b>Finance cost</b>	<b>For the year ended</b> <b>March 31, 2016</b> <b>Rs.</b>	<b>For the year ended</b> <b>March 31, 2015</b> <b>Rs.</b>
Interest on Borrowings	50,06,156	778,98,190
	<b>50,06,156</b>	<b>778,98,190</b>





<b>NOTE 21 Other expenses</b>	<b>For the year ended March 31, 2016 Rs.</b>	<b>For the year ended March 31, 2015 Rs.</b>
Repairs and maintenance		
Others	372,96,310	331,71,611
Support Charges - Software / License	308,00,447	424,93,650
Electricity expenses	15,84,113	10,09,874
Bank Charges	-	64,786
Legal and Professional fees * (Refer Note 21.1)	70,22,021	234,50,988
Director's Sitting Fees	6,25,750	-
Printing and stationery	2,34,925	60,796
Rates and taxes	15,29,515	41,94,544
Rent	97,36,255	68,87,690
Staff recruitment expenses	39,29,351	5,03,396
Communication cost	89,24,868	25,68,450
Call Centre Expenses	255,32,025	18,33,053
Commission and brokerage	2,54,000	-
Travelling and conveyance	17,38,247	14,62,334
Sales promotion and marketing expenses	4295,92,181	2492,57,132
License Expenses	62,98,759	70,09,009
Outsource Manpower Expenses	38,63,969	10,44,128
Foreign Exchange Loss	5,09,211	7,14,471
Miscellaneous expenses	11,42,724	19,49,913
Housekeeping and Security	11,63,004	4,24,147
Provision For Doubtful Debts	5,70,000	10,39,370
	<b>5723,47,675</b>	<b>3791,39,342</b>

**Note 21.1**

<b>Particulars</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
As Auditor		
- Statutory Audit Fee	9,00,000	7,00,000
- Tax Audit Fee	1,00,000	1,00,000
- Transfer Pricing	1,00,000	1,00,000
- Reimbursement of Expenses	1,09,995	87,616
<b>Total</b>	<b>12,09,995</b>	<b>9,87,616</b>

\*Legal & Professional Fees includes Rs Nil (Previous year Rs 1,84,51,042) towards due diligence expenses





**ADITYA BIRLA CUSTOMER SERVICES LIMITED**  
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**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

**22 Leases :**

Operating Lease Payments recognised in the Statement of Profit and Loss Account Rs 98,16,589 (Previous Year Rs 68,87,690)  
The Company has taken certain office premises on cancellable and non cancellable operating lease  
The future minimum lease rental payments in respect of non cancellable operating lease are as follows :

Particulars	As at March 31, 2016	As at March 31, 2015
Not later than one year	155,60,736	85,74,402
Later than One year and Not later than five years	401,37,388	233,44,179
Later than five years	-	-

**23 The breakup of Net Deferred Tax Asset arising on account of following timing differences is as under:**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Deferred Tax Liability</b>		
Depreciation / Amortisation	-	260,61,863
Gross Deferred Tax Liability	-	<b>260,61,863</b>
<b>Deferred Tax Asset</b>		
Depreciation / Amortisation	15,14,790	-
Unabsorbed depreciation and carry forward losses	5910,67,141	3639,21,480
Expenses allowed on payment basis	26,87,482	17,88,368
Gross Deferred Tax Assets	<b>5952,69,413</b>	<b>3657,09,848</b>
<b>Deferred tax Asset/(Liability) (net)</b>	<b>5952,69,413</b>	<b>3396,47,985</b>

Deferred tax asset has been created only to the extent of Deferred tax liability in the absence of virtual certainty.

**24 Earnings per Share is calculated as under :**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Basic :</b>		
Loss as per Statement of Profit and Loss :	(6999,61,767)	(6135,30,261)
Weighted Average number of Outstanding Equity Shares for Basic EPS : -	175,17,416	114,10,878
Basic EPS	(39.96)	(53.77)
<b>Diluted:</b>		
Net loss as per Statement of Profit and Loss	(6999,61,767)	(6135,30,261)
Add: Dividend on CCPS	744	498
Net profit considered for diluted EPS calculation (a)	(6999,61,024)	(6135,29,763)
Weighted average number of equity shares considered in calculating diluted earnings per share (b)	282,05,583	185,83,003
Diluted EPS - (a) / (b)	(24.82)	(33.02)
Diluted earnings per share [Since Diluted EPS (a) / (b) is anti dilutive, effect of the same has not been considered while calculating diluted earnings per share. Thus basic earnings per share are considered to be diluted earnings per share].	(39.96)	(53.77)



## 25 Foreign Exchange

## Expenditure in foreign currency:

Particulars	As at March 31, 2016		As at March 31, 2015	
Repairs and maintenance Other		1,75,340		1,54,309
Sales promotion and marketing expenses		170,48,998		600,00,589
Support Charges - Software / License		312,63,917		423,48,275
<b>Total</b>		<b>484,88,255</b>		<b>1025,03,173</b>

## 26 Segmental Reporting

The segment reporting format is determined to be business segments as the company's risks and returns are predominantly affected by the differences in products and services produced. The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products

The 'Subscription' segment is engaged in Online Subscription and Sale of Prepaid Subscription Kits to Customers. Transaction Revenue includes the Revenue sharing from Transactions done on the online platform.

The 'Advertisement' segment is engaged in deriving income from various Mutual Funds / other companies from sale of space to on the Website / distribution of Advertising material. (Refer Annexure 1)

## 27 Retirement Benefits :

## Defined benefit plan :

The company operates defined benefit plan, viz., gratuity for its employees. Under the Gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Scheme is nonfunded.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss and the funded status and the amounts recognised in the Balance Sheet for the respective plans

## Statement of Profit and Loss

## Net Employee Benefit Expense recognized in the Employee Cost

Particulars	Gratuity	
	31-Mar-16	31-Mar-15
Current service cost	11,40,628	7,15,537
Interest cost on obligation	2,81,898	1,15,896
Expected return on Plan Assets	30,604	8,62,203
Net Actuarial (gain) / loss recognised		
<b>Expense recognised in Statement of Profit and Loss</b>	<b>14,53,130</b>	<b>16,93,636</b>

## Balance Sheet

## Benefit Asset / Liability

Particulars	Gratuity	
	31-Mar-16	31-Mar-15
Present Value of Defined Benefit Obligation	50,05,792	29,66,170
Fair Value of Plan Assets	-	-
<b>Plan (Asset) / Liability</b>	<b>50,05,792</b>	<b>29,66,170</b>

## Changes in the present value of the Defined Benefits Obligation are as follows :

Particulars	Gratuity				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Opening Defined Benefit Obligation	29,66,170	10,38,152	8,69,926	3,58,694	82,606
Liability in respect of Employees transferred	5,86,492	2,34,382	-	-	58,189
Current service cost	11,40,628	7,15,537	4,16,807	4,64,596	2,06,021
Interest Cost	2,81,898	1,15,896	71,769	31,386	20,196
Benefits paid	-	-	-	-	-
Actuarial (gains) / losses on obligation	30,604	8,62,203	(3,20,350)	15,250	(8,318)
<b>Closing Defined Benefit Obligation</b>	<b>50,05,792</b>	<b>29,66,170</b>	<b>10,38,152</b>	<b>8,69,926</b>	<b>3,58,694</b>

The principal assumptions used in determining Gratuity and Leave Encashment obligations for the company's plans are shown below:

	31-Mar-16	31-Mar-15
Rate of Interest	7.60%	8.00%
Salary growth	7.00%	7.00%





The details of the Company's defined benefit plans in respect of Holding Company owned Provident Fund Trust -

Particulars	31-Mar-16	As at March 31, 2015
Contribution to Holding Company owned Provident Fund	30,25,420	15,29,602

**Defined Contribution Plan :**

The Company has recognized the following amounts as expenses and included in Note 17 in "Contribution to Provident and Other Funds"

Particulars	31-Mar-16	As at March 31, 2015
Contribution to Pension Fund	12,19,343	3,92,826

- 28 The Company has accumulated losses of Rs.2,02,18,23,15% (Previous year Rs.1,32,18,61,387) as at the balance sheet date, resulting in a complete erosion of company's Net Worth. However, the company has been able to meet its obligations in the ordinary course of business and considering the financial support received and also the Letter of Support received from Aditya Birla Nuvo Limited (Ultimate Holding Company) these financial statements have been prepared assuming that the company will continue as a going concern.
- 29 Provision is recognised for expected service cost claims on product sold based on the past experience of level of returns and replacements. It is expected that this provision will be utilised within one year. The table below gives information about movement in warranty provisions.

Particulars	31st March, 2016	31st March, 2015
At the beginning of the year	11,06,588	3,55,790
Arising during the year	8,14,763	9,66,208
Utilised during the year	28,288	2,15,410
<b>As at 31.03.2016</b>	<b>18,93,063</b>	<b>11,06,588</b>

- 30 There are no contingent liabilities as at March 31, 2016 (Previous Year: Nil).
- 30A Estimated amount of contracts remaining to be executed on on capital account and not provided for (net of advances) Rs 69,13,594 (Previous year Rs Nil)
- 31 **Details of dues to micro and small enterprises as defined under MSMED Act,2006**  
Based on current information/confirmations available with the Company, no amounts have fallen due for payment to suppliers who are registered under the Micro Small and Medium Enterprise Development Act, 2006 as at March 31, 2016.
- 32 Related party disclosure: Refer Annexure '2'
- 33 The Company's pending litigations comprise of claims against the Company proceedings pending with Tax 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 (Refer note 30). The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2016.
- 33A During the year, the Company had formulated the ABCSL Employee Stock Option Scheme – 2015 (ABCSL ESOP Scheme – 2015) with the approval of the shareholders at the Annual General Meeting dated July 07, 2015. 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 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 Fair Value of the Company and further, the vesting of options is due only in the upcoming years.

The ABCSL - ESOP Scheme - 2015 provides that the total number of options granted there under will be 1,134,853 equity shares and to follow the Fair Value method for valuation of the Options. Each option, on exercise, is convertible into one equity share of the Company having face value of Rs. 10 each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on September 4, 2015 has granted 9,00,618 stock options to its eligible employees under the ABCSL ESOP Scheme – 2015 at an exercise price of Rs. 89/-. The Exercise Price was based on the Fair value method arrived at as per valuation report issued by Independent Valuer..



**Summary of Options granted under ABCSL ESOP Scheme 2015 is as under**

Options outstanding as on 1.4.15	Nil
Number of options granted during the year	9,00,618
Method of accounting	Fair value
Vesting Plan	Bullet vesting on 31.3.18
Exercise period	Within 2 years from the date of vesting of respective options
Grant date	4.9.15
Grant / Exercise price (Rs / share)	89/-
Market price as on the date of the grant	NA
Options forfeited / lapsed / not opted for during the year	1,01,734
Options exercised during the year	Nil
Options outstanding as on 31.3.16	7,98,884

The vesting period in respect of the options granted under ABCSL ESOP Scheme – 2015 is as follows:

Vesting Dates	% of options that shall vest
Options shall vest at one go-bullet vesting at the end of March , 2018 or such time period as may be determined by the Compensation committee	100% of the grant more specifically specified in the ESOP Scheme

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 :

Variables	Grant date - 4.9.15 Vest - 1 3.9.20
Fair market value	Rs 89
Volatility	0%
Risk free rate	7.83%
Exercise price	Rs 89
Expected life	6 years
Dividend yield	0%
Option fair value	Rs 20.74
Vesting schedule	100%
Weighted average fair value	Rs 32.39

Had the company used the fair value model to determine compensation, its profit / (Loss) after tax and earnings per share as reported would have changed to the amounts indicated below

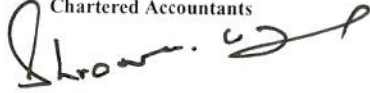
Particulars	For the year ended 31.3.16
<b>Profit/(Loss) after tax (as reported)</b>	(6999,61,767)
Less : Impact of incremental cost under fair value approach	37,01,553
Net Profit / (Loss) (Proforma)	(7036,63,320)
Basic Earning per Share (as reported) (In Rs.)	(39.96)
Basic Earning per Share (Proforma) (In Rs.)	(40.17)
Diluted earnings per share (Proforma) [Since Diluted EPS is anti dilutive, effect of the same has not been considered while calculating diluted earnings per share. Thus basic earnings per share (Proforma) is considered to be diluted earnings per share (Proforma)].	(40.17)



- 34 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards
- 35 The Company has reclassified previous years figures to conform to this years classification.

As per our report of even date

For S R BATLIBOI & CO. LLP  
ICAI Firm registration no-301003E/E300005  
Chartered Accountants



per Shrawan Jalan  
Partner  
Membership No 102102  
Place : Mumbai  
Date: 04-05-2016



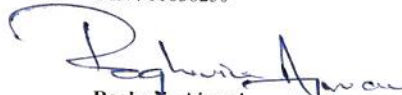
For and on behalf of the Board of Directors of Aditya Birla Customer Services Limited  
(Formerly Known as Aditya Birla Customer Services Private Limited)



Shriram Jagetiya  
Director  
DIN : 01638250



Ajay Srivivasan  
Director  
DIN : 00121181



Raghuvir Ajwani  
Chief Finance Officer





**Aditya Birla Customer Services Limited**  
(Formerly known as Aditya Birla Customer Services Private Ltd)  
Business Segments

Annexure 1

Particulars	For the Year ended			For the Year ended				
	31st March 2016 (audited)			31st March 2015 (Audited)				
	Transaction	Advertisement	Subscription	Total	Transaction	Advertisement	Subscription	Total
<b>Revenue</b>	135,22,600	311,93,274	88,36,366	535,52,240	37,16,395	126,76,791	100,58,843	264,52,029
<b>Results</b>								
Segment results	(4224,34,771)	(2134,97,934)	(668,38,648)	(7027,71,353)	(1083,23,891)	(2363,50,265)	(1980,08,385)	(5426,82,541)
Unallocated Income / (Expense)								
Finance cost				(50,06,156)				(778,98,190)
Other Income including finance income				78,15,742				70,50,470
Profit / (Loss) before tax				(6999,61,767)				(6135,30,260)
(Excess) / Short provision relating to earlier years (Income tax)				-				-
<b>Net Profit / (Loss)</b>				<b>(6999,61,767)</b>				<b>(6135,30,261)</b>
<b>Assets</b>								
Segment assets	383,92,627	735,63,348	167,61,700	1287,17,675	107,25,823	451,48,931	284,40,009	843,14,763
Unallocated assets				1616,03,640				2390,63,668
<b>Total assets</b>	<b>383,92,627</b>	<b>735,63,348</b>	<b>167,61,700</b>	<b>2903,21,315</b>	<b>107,25,823</b>	<b>451,48,931</b>	<b>284,40,009</b>	<b>3233,78,431</b>
<b>Liabilities</b>								
Segment liabilities	1142,39,734	699,98,088	232,79,697	2075,17,519	395,08,810	839,88,061	721,62,350	1956,59,221
Unallocated liabilities	-			828,03,796	-			1277,19,210
<b>Total Liability</b>	<b>1142,39,734</b>	<b>699,98,088</b>	<b>232,79,697</b>	<b>2903,21,315</b>	<b>395,08,810</b>	<b>839,88,061</b>	<b>721,62,350</b>	<b>3233,78,431</b>
<b>Capital Employed</b>								
Segment Asset - Segment Liability	(758,47,107)	35,65,260	(65,17,997)	-	(287,82,987)	(388,39,130)	(437,22,341)	-





**(a) List of Related Parties:-****Name and relationship with the parties:-****Parties where control exist:**

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

**Other related parties with whom the Company has entered into transactions during the year :**

Fellow Subsidiaries  
Aditya Birla Finance Limited  
Aditya Birla Housing Finance Limited  
Aditya Birla Capital Advisors Private Limited  
Aditya Birla Commodities Broking Limited  
Aditya Birla Trustee Company Private Limited  
Aditya Birla Money Mart Limited  
Aditya Birla Money Insurance Advisory Limited  
Aditya Birla Money Limited  
Aditya Birla Insurance Brokerage Limited  
Birla Sunlife Insurance Company Limited  
Aditya Birla Financial Shared Services Limited  
Birla Sun Life Asset Management Company Limited  
Birla Sun Life Trustee Company Private Limited

**Key Management Personnel**

Madhusushan M L - Manager - (1.4.15 - 19.10.15)  
Raghuvir Ajwani - Manager - (19.10.15 - 31.3.16)  
Amit Talekar - Company Secretary - (1.4.15 - 12.01.16)  
Raghuvir Ajwani - Chief Finance Officer - (1.4.15 - 31.3.16)

The following inter company transactions and balance with holding companies and subsidiaries are included in the above figures under respective heads. Figures of the previous periods have been regrouped/ rearranged wherever necessary.

Sr. No.	Particulars	(Amount in Rs.)	
		Year Ended 31st March, 2016 (Audited)	Year Ended 31st March, 2015 (Audited)
<b>1</b>	<b>Income</b>		
	Aditya Birla Money Mart Limited - Transaction Revenue (Excluding Service Tax of Rs.11,36,317/- )	134,23,200	37,16,395
	Aditya Birla Money Mart Limited - Advertisement Revenue ( Excluding Service Tax of Rs. 1,74,000/-)	12,00,000	-
	Aditya Birla Housing Finance Limited - Advertisement Revenue - (Excluding Service Tax of Rs. 61,800/-)		5,00,000
	Aditya Birla Money Limited - Transaction Revenue - Equity Broking Commission (Excluding Service Tax of Rs.2,82,730/-)	19,97,566	-
	Aditya Birla Money Limited - Subscription of online trading a/c pack (Excluding Service Tax of Rs.13,896/-)	95,837	-
	Aditya Birla Money Insurance Advisory Services Limited - Transaction Revenue - Health Insurance Brokerage	22,236	-
	Aditya Birla Commodities Broking Limited - Transaction Revenue - Commodity Broking (Excluding Service Tax of Rs. 6,740/-)	48,011	-
	Birla Sun Life Insurance Company Limited -Advertisement Revenue - (Excluding Service Tax of Rs.70,000 & SBC-2,500/- )	5,00,000	-
<b>2</b>	<b>Recovery of Expense</b>		
	Aditya Birla Money Limited - Recovery of expense - Rent Sharing office premises (Excluding Service Tax of Rs.5,33,965/-)	38,35,596	9,57,450
	Aditya Birla Money Limited - Recovery of expense - Transfer of Gratuity	1,79,207	-
	Aditya Birla Money Limited - Recovery of expense - Transfer of Leave Encashment	1,19,838	-
	Aditya Birla Money Insurance Advisory Services Limited - Recovery of expense - Transfer of Gratuity	-	2,34,382
	Aditya Birla Money Insurance Advisory Services Limited - Recovery of expense - Transfer of Leave Encashment	-	35,652
	Aditya Birla Money Mart Limited - Recovery of expense - Transfer of Leave Encashment/Gratuity/Medical	2,23,215	-
	Aditya Birla Money Limited - Currency Future brokerage	12,350	-
<b>3</b>	<b>Expenses</b>		
	Aditya Birla Nuvo Limited - Interest on ICD	49,50,655	313,25,166
	Aditya Birla Money Mart Limited - Referral Fees (Excluding Service Tax of Rs.989/- )		8,000
	Aditya Birla Money Mart Limited - Advertisement Expenses ( Excluding Service Tax of Rs. 7,43,820/- & Inclusive SBC Rs. 22,000/- )	53,35,000	-
	Birla Sun Life Asset Management Company Limited - Interest on ICD (Net of Service Tax )	-	465,73,024
	<b>- Reimbursement of Expenses</b>		
	Aditya Birla Money Mart Limited (Reimbursement of Salary Expenses) - (Excluding Service Tax of Rs.2,89,557)	-	23,42,692
	Aditya Birla Money Mart Limited (Training and Development Expenses Recovery) (Excluding Service Tax of Rs. 1,0,6,152/-)	-	8,58,833
	Aditya Birla Money Mart Limited (Soft Furnishing Loan Transfer Employee)	-	60,000
	Aditya Birla Money Mart Limited-( Telephone exp-Call centre Thane ) ( Excluding Service tax Rs.1,11,142/- & inclusive SBC tax Rs. 3,970 /-)	7,97,842	-



Related party transactions

(a) List of Related Parties:-

Sr. No.	Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Aditya Birla Financial Shared Services Limited - (Other payment - Support Charges-Software/License reimbursement ( Excluding S. Tax Rs.10,76,815 /- SBC Included Rs.4,589/- )	68,10,603	10,28,624
	Aditya Birla Financial Shared Services Limited (Employee PF & Gratuity Contribution to Fund )	87,938	-
	Aditya Birla Financial Shared Services Limited (Salary payment)	15,47,609	31,354
	Aditya Birla Financial Services Limited -Reimbursement of Salary of Functional Support (Excluding Service Tax of Rs.25,10,029/-)	174,04,513	71,99,228
	Aditya Birla Financial Services Limited-Reimbursement of Contribution to fund	3,72,126	1,94,134
	Aditya Birla Financial Services Limited-Reimbursement of Gratuity	1,36,443	-
	Aditya Birla Financial Services Limited-Reimbursement of Employers Cont. Superannuation	2,72,892	-
	Aditya Birla Financial Services Limited -Reimbursement- Other for Functional Support - (Excluding Service Tax of Rs. 6,06,758/- & Inclusive SBC Tax Rs. 35,897/-)	43,64,941	19,66,335
	Aditya Birla Financial Services Limited-Reimbursement of Depreciation	79,666	-
	Aditya Birla Money Limited - Reimbursement of Support Charges - Software/ License (Excluding Service Tax of Rs. 1,23,540/-)	9,01,875	9,00,000
	Aditya Birla Money Limited - Reimbursement of Salary of Training Development Team (Excluding Service Tax of Rs. 73,634/-)	5,41,828	21,23,436
	Aditya Birla Money Limited - Reimbursement of Salary of Business Support-CMO & CPO Team (Excluding Service Tax of Rs. 4,79,809/-)	34,33,794	-
	Aditya Birla Money Limited - Reimbursement of Rent sharing -Hyderabad Branch (Excluding Service Tax of Rs. 23,625/-)	1,69,594	-
	Birla Sun Life Insurance Company Limited - Reimbursement ( Rent-Space Sharing-Delhi ) (Excluding Service Tax of Rs.37,400/- Inclusive SBC Tax Rs.668/- )	2,67,800	94,979
4	<b>Other Transactions</b>		
	- Issue of Inter Company Deposit by Aditya Birla Nuvo Limited	-	2879,00,000
	<b>ICD repay during the year</b>		
	- Repayment of Inter Company Deposits to Aditya Birla Nuvo Limited	1010,00,000	3349,00,000
	-Repayment of Inter Company Deposits to Birla Sun Life Asset Management Company Limited	-	5641,00,000
5	<b>Outstanding Balances</b>		
	<b>Receivables</b>		
	Aditya Birla Money Insurance Advisory Services Limited - Recovery of expense -	-	2,70,034
	Aditya Birla Housing Finance Limited - (Advertisement - Trade Receivable )	5,51,800	5,51,800
	Aditya Birla Money Mart Limited - (Receivable for Other Expenses)	110,81,804	4,15,403
	Aditya Birla Money Limited - Recovery of Expenses Reimbursement (Recievable for Broking Income)	2,14,179	-
	Aditya Birla Money Limited - (Advance to Vendors)	3,41,519	-
	Birla Sun Life Insurance Company Limited - (Trade Receivable)	5,62,500	-
	<b>Payables</b>		
	Aditya Birla Nuvo Limited - Inter Corporate Deposit - (Long Term)	-	1010,00,000
	Aditya Birla Money Mart Limited - Short Term advance income for tranasaction revenue (Exclusive Service Tax Rs.80,350/-)	5,54,136	-
	Aditya Birla Money Mart Limited - Long Term advance income for tranasaction revenue (Exclusive Service Tax Rs.1,09,539/-)	7,55,442	-
	Aditya Birla Financial Shared Services Limited (Payable for Other Expenses)	-	1,13,199
	Aditya Birla Financial Shared Services Limited (Payable for Other Expenses)	9,41,927	-
	Aditya Birla Money Limited - Expenses Reimbursement (Payable for Other Expenses)	-	67,710
	Aditya Birla Commodities Broking Limited-(Transaction Revenue - Commodity Broking Trade Payable )	16,389	-
	Aditya Birla Financial Services Limited -Reimbursement of Salary & Other of Functional Support - ABFSG team	161,82,144	15,73,040
	<b>Share Capital held by the Company</b>		
	Aditya Birla Financial Services Limited - Equity Share Capital	1686,62,110	1686,62,710
	Aditya Birla Financial Services Limited - Compulsory Convertible Preference Shares	469,59,380	225,00,000

Remuneration to Key Managerial Personnel

Particulars	Year Ended 31st March, 2016 (Audited)	Year Ended 31st March, 2015 (Audited)
Salary, Allowances and Others	81,07,415	49,39,575
Contribution to Provident and Other Funds	2,98,926	2,93,451
<b>Total</b>	<b>84,06,341</b>	<b>52,33,026</b>

\* Swatchh Bharat Cess ( SBC )

