

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Aditya Birla Money Insurance Advisory Services Limited

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Aditya Birla Money Insurance Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies.

**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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS 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 Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Matter of Emphasis**

Without qualifying our conclusion, we draw attention to Note 35 to the financial statements. As at March 31, 2017, the Company has accumulated losses of Rs. 30,58,70,832 against equity of Rs.49,00,000. 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



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

discussed in Note 35 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 1 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 36 to the Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period- Refer Note 38 to the Ind AS financial statements

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: April 26, 2017



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

**Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

**Re: Aditya Birla Money Insurance Advisory Services Limited**

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i)(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment 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) (a) 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 given 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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the 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) The Company is regular in depositing with appropriate authorities 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 statutory dues applicable to it.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, , service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii)(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise , value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	15,25,917	A.Y 2012-13	Commissioner of Income Tax (Appeals)	



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (xi) 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 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. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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: April 26, 2017



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADITYA BIRLA MONEY INSURANCE ADVISORY 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")**

We have audited the internal financial controls over financial reporting of Aditya Birla Money Insurance Advisory Services Limited ("the Company") as of March 31, 2017 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 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.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **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.

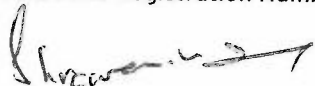
### **Opinion**

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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per Shrawan Jalan  
Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: April 26, 2017

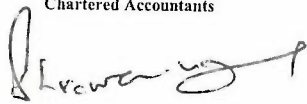


ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	Notes	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.	As at April 1, 2015 Rs.
<b>ASSETS</b>				
<b>Non Current assets</b>				
(a) Property, Plant and Equipment	3	114,533	491,221	874,588
(b) Financial Assets				
(i) Loans	4(a)	-	1,895,587	1,766,982
(c) Other Non Current Assets	5(a)	-	190,944	98,135
<b>Total Non Current Assets (A)</b>		<b>114,533</b>	<b>2,577,752</b>	<b>2,739,705</b>
<b>Current assets</b>				
(a) Financial Assets				
(i) Trade and other receivables	6	10,005,176	7,514,571	6,571,061
(ii) Cash and cash equivalents	7	79,851	1,066,090	342,516
(iii) Loans	4(b)	4,350,430	2,731,431	3,800,804
(b) Assets for Current Tax	8	7,445,491	11,173,642	9,901,690
(c) Other current assets	5(b)	6,092,257	5,509,169	7,285,773
<b>Total Current Assets (B)</b>		<b>27,973,205</b>	<b>27,994,903</b>	<b>27,901,844</b>
<b>Total Assets (A+B)</b>		<b>28,087,738</b>	<b>30,572,655</b>	<b>30,641,549</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	9	4,900,000	4,900,000	4,900,000
(b) Other Equity	10	(178,290,264)	(157,306,516)	(244,327,157)
<b>Total equity(C)</b>		<b>(173,390,264)</b>	<b>(152,406,516)</b>	<b>(239,427,157)</b>
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	11(a)	151,377,813	132,351,742	200,844,972
(b) Provisions	12(a)	188,082	2,896,341	2,131,096
(c) Other non current liabilities	15(a)	-	2,382,682	2,525,807
<b>Total Non Current liabilities</b>		<b>151,565,895</b>	<b>137,630,765</b>	<b>205,501,875</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	11(b)	46,100,000	34,040,251	-
(ii) Trade and Other Payables	13	3,386,115	6,416,134	12,656,912
(iii) Other Financial Liabilities	14	-	171,370	47,543,002
(b) Other Current Liabilities	15(b)	303,224	1,368,277	1,661,027
(c) Provisions	12(b)	122,768	3,352,374	2,705,890
<b>Total Current Liabilities</b>		<b>49,912,107</b>	<b>45,348,406</b>	<b>64,566,831</b>
<b>Total liabilities(D)</b>		<b>201,478,002</b>	<b>182,979,171</b>	<b>270,068,706</b>
<b>Total Equity and Liabilities(C+D)</b>		<b>28,087,738</b>	<b>30,572,655</b>	<b>30,641,549</b>
<b>Contingent Liabilities</b>	33			
Summary of Significant Accounting Policies	2.1			
The accompanying Notes are 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



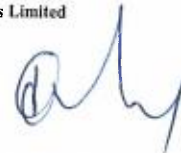
per Shrawan Jalan  
Partner  
Membership No: 102102

Place : Mumbai  
Date: 26th April, 2017

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



A. Dhananjaya  
Director  
DIN : 01744569



Pradeep Sharma  
Director  
DIN : 03644331



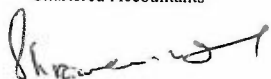
ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Notes	For the year ended March 31, 2017 Rs.	For the year ended 31st March, 2016 Rs.
Revenue from operations	16	17,077,552	22,736,566
Other income	17	2,057,008	249,938
<b>Total Revenue</b>		<b>19,134,560</b>	<b>22,986,504</b>
<b>Expenses</b>			
Employee benefits expense	18	13,551,806	17,747,544
Finance charges	19	23,622,643	23,826,258
Depreciation and amortisation expenses	20	250,168	433,800
Other expenses	21	2,437,886	12,705,828
<b>Total Expenses</b>		<b>39,862,503</b>	<b>54,713,430</b>
<b>Loss before tax</b>		<b>(20,727,943)</b>	<b>(31,726,926)</b>
<b>Tax expenses</b>			
Current Tax		-	-
Deferred Tax Assets		-	-
<b>Loss For the year after Tax</b>		<b>(20,727,943)</b>	<b>(31,726,926)</b>
<b>Other Comprehensive Income Statement</b>	25		
A (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
B (i) Items that will not be reclassified to profit or loss			
- Remeasurement gains/losses on defined benefit plans		(255,805)	(742,923)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
<b>Other Comprehensive Income for the Year</b>		<b>(255,805)</b>	<b>(742,923)</b>
<b>Total Comprehensive Income</b>		<b>(20,983,748)</b>	<b>(32,469,849)</b>
<b>Earning per Equity Share</b>			
Basic Earnings per Share - Rs.	22	(42.30)	(64.75)
Diluted Earnings per Share - Rs.	22	(42.30)	(64.75)
(Face Value of Rs 10/- each)			
Summary of Significant Accounting Policies	2.1		
The accompanying Notes are 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

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



per Shrawan Jalan  
Partner  
Membership No: 102102



A. Dhananjaya  
Director  
DIN : 01744569



Pradeep Sharma  
Director  
DIN : 03644331

Place : Mumbai  
Date : 26th April, 2017





**ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED**

For the Year ended March 2017

**Statement of changes in Equity for the year ended 31 March 2017**

**a. Equity Share Capital**

Particulars	Number of shares		Amount	
	No.	Rs.	No.	Rs.
As at 1 April 2015	490,000	4,900,000		
Issued during the year	-	-		
Bought back during the year	-	-		
As at 31 March 2016	490,000	4,900,000		
Issued during the year	-	-		
Bought back during the year	-	-		
As at 31 March 2017	490,000	4,900,000		

**b. Other Equity**

Particulars	Equity Component	Reserves and Surplus			Items of OCI	Total
		Capital Redemption Reserve	General Reserve	Retained earnings	FVOCI Reserve	
		Rs.	Rs.	Rs.	Rs.	
As at 1 April 2015	8,090,078	-	-	(252,417,235)	-	(244,327,157)
Profit for the Year	-	-	-	(31,726,926)	-	(31,726,926)
Other comprehensive income	-	-	-	(742,923)	-	(742,923)
Total comprehensive income	-	-	-	(32,469,849)	-	(32,469,849)
Equity Component on Debentures	119,490,490	-	-	-	-	119,490,490
As at 31 March 2016	127,580,568	-	-	(284,887,084)	-	(157,306,516)
Profit for the Year	-	-	-	(20,727,943)	-	(20,727,943)
Other comprehensive income	-	-	-	(255,805)	-	(255,805)
Total comprehensive income	-	-	-	(20,983,748)	-	(20,983,748)
As at 31 March 2017	127,580,568	-	-	(305,870,832)	-	(178,290,264)

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



per Shrawan Jalan  
Partner  
Membership No: 102102

Place : Mumbai  
Date: 26th April, 2017



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



A. Dhananjaya  
Director  
DIN : 01744569



Pradeep Sharma  
Director  
DIN : 03644331



ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

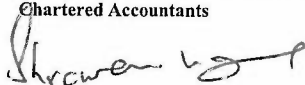
Particulars	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
	RS.	RS.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before Tax	(20,727,943)	(31,726,926)
Non Cash Adjustments to reconcile (Loss) before tax to net cash flows :		
Depreciation / Amortisation	250,168	433,800
Profit on sale of assets (Net)	70,029	(56,433)
Profit on sale of Current Investment	-	(64,900)
Allowance for doubtful debts / Advances	(1,126,738)	1,335,232
Interest on loan	4,497,821	14,909,026
Interest on debentures	19,124,822	8,917,232
Interest income On Deposits	(143,484)	(128,605)
Interest expenses on deposits	81,985	118,077
<b>Operating Profit before Working Capital Changes</b>	<b>2,026,660</b>	<b>(6,263,497)</b>
<b>Movements in Working Capital</b>		
Increase / (Decrease) in Other non current liabilities	(2,382,682)	(143,125)
Increase / (Decrease) in Long term provisions	(2,708,259)	765,245
Increase / (Decrease) in Trade payables	(3,030,019)	(6,240,778)
Increase / (Decrease) in Other current liabilities	(1,003,559)	(282,221)
Increase / (Decrease) in Current Financial liabilities	(171,370)	(15,738,061)
Increase / (Decrease) in Short term provisions	(3,485,411)	(96,439)
Decrease / (Increase) in Trade receivables	(1,363,867)	(2,278,742)
Decrease / (Increase) in Long term loans	1,895,587	(128,605)
Decrease / (Increase) in Other Non Current Assets	190,944	(92,809)
Decrease / (Increase) in Other Current Assets	(583,088)	1,776,604
Decrease / (Increase) in Assets for Current Tax	3,728,151	(1,271,952)
Decrease / (Increase) in Short term loans	(1,618,999)	1,069,373
<b>Net cash flow used in Operating Activities</b>	<b>(A) (8,505,912)</b>	<b>(28,925,007)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale proceeds from Fixed assets	67,586	56,433
Purchases of Fixed assets	(11,097)	(50,434)
(Purchase)/Proceeds from Current Investments (Net)	-	64,900
<b>Net cash flow from/(used) Investing Activities</b>	<b>(B) 56,489</b>	<b>70,899</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of Debenture	-	242,925,000
Interest on loan and Debentures	(6,236,816)	(34,315,318)
Proceeds from Short term borrowings	30,120,411	-
Repayment of borrowings	(16,420,411)	(179,032,000)
<b>Net cash flow from Financing Activities</b>	<b>(C) 7,463,184</b>	<b>29,577,682</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent</b>	<b>(A)+(B)+(C) (986,239)</b>	<b>723,574</b>
Cash and Cash Equivalent at the beginning of the Year	1,066,090	342,516
Cash and Cash Equivalent at the end of the Year	<b>79,851</b>	<b>1,066,090</b>
<b>Components of Cash and Cash Equivalents :</b>		
With Banks in Current account	79,851	1,066,090
<b>Total Cash and Cash Equivalents</b>	<b>79,851</b>	<b>1,066,090</b>

Summary of Significant Accounting Policies

2.1

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

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







per Shrawan Jan  
Partner  
Membership No: 102102

A. Dhananjaya  
Director  
DIN : 01744569

Pradeep Sharma  
Director  
DIN : 03644331

Place : Mumbai  
Date: 26th April, 2017



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

**(1) CORPORATE INFORMATION**

Aditya Birla Money Insurance Advisory Services Limited (the company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a Corporate Agent of Birla Sun Life Insurance Company Limited and is engaged in Distribution of Life Insurance and broking of Real Estate.

**(2) BASIS OF PREPARATION**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company has prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 29 for information on how the Company adopted Ind AS.

These financial statements for the year ended 31st March, 2017 are the first financial statement the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis, except for the certain financial instruments measured at fair value. The financial statements have been prepared on a historical cost basis, except for the certain financial instruments measured at fair value.

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

The financial statements have been prepared on a historical cost basis, except for Certain financial assets and liabilities measured at fair value.

The financial statements are presented in INR .

**(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) Plant ,Property & Equipment**

(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 assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised .

(iii) Following rates are used to provide depreciation on Tangible fixed assets

Assets	Useful Life as prescribed by Schedule II of The Co.	Estimated useful life used by the Company
Leasehold Improvements	Over the primary period of the lease	Lease period or six years, whichever is earlier
Servers and Networks	6 years	6 years
Computers	3 years	3 years
Office Equipments	5 years	5 years
Electronic Equipments	10 years	4 years
Furniture & fixture	10 years	7 years

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

(v) 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.

(vi) Assets costing Rs. 5,000 or less are written off in the year of purchase .

**(c) Intangible Fixed Assets :**

Intangible 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 it's working condition for it's intended use. Software is amortised over a period of three financial years.

**(d) Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

