

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Money Insurance Advisory Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Aditya Birla Money Insurance Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and 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

Management is responsible for 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 notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

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 Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 31 to the financial statements. As at March 31, 2014, the Company has accumulated losses of Rs. 181,917,326 against equity of Rs 4,900,000. 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 discussed in Note 31 to the accompanying results, in view of which the financial results 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.

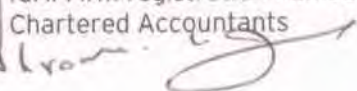
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **SRBC & CO. LLP**

ICAI Firm registration number: 324982E

Chartered Accountants

**per Shrawan Jalan**

Partner

Membership No.: 102102

Mumbai

May 2, 2014



Annexure 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 (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) There was no disposal of a substantial part of fixed assets during the year.
- (ii) The Company did not have any inventory during the year. Therefore the provisions of clause (ii) of paragraph 4 of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted/taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (g) 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 is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, for the products of the Company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



(c) According to the records of the Company, the dues outstanding of income-tax on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demands raised against the Company	1,736,284	A.Y. 2010-11	Commissioner of Income Tax (Appeals)
	Income Tax demands raised against the Company	1,529,706	A.Y. 2011-12	Commissioner of Income Tax (Appeals)

- (x) *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss during the year. In the immediately preceding financial year, the Company had not incurred cash loss.*
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not taken any loans from financial institution, bank and not issued any debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.



S R B C & CO LLP

Chartered Accountants

Auditor's Report
Aditya Birla Money Insurance Advisory Services Limited
Year Ended March 31, 2014

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- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S R B C & CO LLP

CAI Firm registration number: 324982E

Chartered Accountants

Shrawan Jalan

per Shrawan Jalan

Partner

Membership No.: 102102

Mumbai

May 2, 2014



ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Notes	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	4,900,000	4,900,000
Reserves and Surplus	4	(181,917,326)	(174,167,897)
		(177,017,326)	(169,267,897)
Non Current Liabilities			
Long Term Borrowings	5	155,000,000	122,600,000
Other Long-term liabilities	6	3,043,927	3,721,804
Long-term provisions	7	951,959	1,203,689
		158,995,886	127,525,493
Current liabilities			
Short Term Borrowings	8	-	32,400,000
Trade payables	9	34,519,555	61,856,036
Other Current liabilities	10	10,501,619	1,504,457
Short-term provisions	11	1,705,698	3,885,641
		46,726,872	99,646,134
TOTAL		28,705,432	57,903,730
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible assets	12	6,015,538	8,234,093
Intangible assets	13	-	-
		6,015,538	8,234,093
Long-term loans and advances	14	6,636,000	7,011,000
		6,636,000	7,011,000
Current Assets			
Current Investments	15	-	25,054,783
Trade receivables	16	-	1,162,482
Cash and Bank Balance	17	532,464	2,184,730
Short-term loans and advances	18	15,521,430	14,256,642
		16,053,894	42,658,637
TOTAL		28,705,432	57,903,730
Summary of Significant Accounting Policies	2.1		
The accompanying Notes are an integral part of the Financial Statements			

As per our attached report of even date

For S R B C & Co LLP
Chartered Accountants
ICAI Firm Membership No : 324982E

[Signature]

per Shrawan Jalan
Partner
Membership No: 102102

Mumbai
Date: 02nd May, 2014

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

[Signature]

Sudhakar Ramasubramanian
Director

[Signature]

Manoj Kumar Gandhi
Director



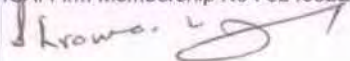
ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Notes	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Revenue from operations	19	78,863,448	98,859,711
Other Income	20	1,798,524	932,118
Total Revenue		80,661,972	99,791,829
Expenses			
Employee benefits expenses	21	45,179,755	59,541,891
Finance Charges	22	15,260,398	447,386
Depreciation and amortisation expenses	12 & 13	2,089,544	2,125,140
Other expenses	23	24,366,210	23,995,137
Total Expenses		86,895,907	86,109,554
Profit / (Loss) before tax		(6,233,935)	13,682,275
Tax expenses			
Short Provision for taxes relating to earlier years		1,515,494	-
Profit / (Loss) for the year		(7,749,429)	13,682,275
<u>Earning per Equity Share</u>			
Basic Earnings per Share - Rs.	24	(16)	27.92
Diluted Earnings per Share - Rs.	24	(16)	27.92
(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 attached report of even date

For S R B C & Co LLP
Chartered Accountants
IGAI Firm Membership No : 324982E



per Shrawan Jalan
Partner
Membership No: 102102

Mumbai
Date: 02nd May, 2014

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



Sudhakar Ramasubramanian
Director



Manoj Kumar Gandhi
Director



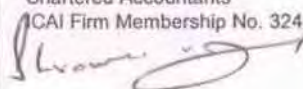
ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED
CASH FLOW STATEMENT AS ON 31ST MARCH, 2014

	31st March, 2014	31st March, 2013
	RS.	RS.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax	(6,233,935)	13,682,275
Non Cash Adjustments to reconcile Profit (Loss) before tax to Net Cash Flows :		
Depreciation / Amortisation	2,089,544	2,125,140
Loss on Sale of Assets (Net)	34,932	310,280
Interest Income (On Income Tax Refund)	(219,115)	(287,784)
Dividend on Current Investments	(577,523)	(625,216)
Excess Provision written back	(943,417)	(19,118)
Operating Profit before Working Capital Changes	(5,849,514)	15,185,577
Movements in Working Capital		
Increase / (Decrease) in Other Long Term Liabilities	(677,877)	857,913
Increase / (Decrease) in Long Term Provisions	(251,730)	(271,557)
Increase / (Decrease) in Trade Payables	(26,393,064)	3,399,509
Increase / (Decrease) in Other Current Liabilities	8,997,162	(46,992)
Increase / (Decrease) in Short Term Borrowings	(32,400,000)	32,400,000
Increase / (Decrease) in Short Term Provisions	(2,179,943)	749,688
Decrease / (Increase) in Trade Receivables	1,162,482	365,038
Decrease / (Increase) in Long Term Loans & Advances	375,000	-
Decrease / (Increase) in Short Term Loans & Advances	(3,800,558)	(2,569,612)
Cash Generated from Operations	(61,018,042)	50,069,564
Short Provision for taxes relating to earlier years	(1,515,494)	-
Income Tax Refund Received	2,535,770	4,397,202
Net Cash Flow from / (used in) Operations	(A) (59,997,766)	54,466,766
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale proceeds from Fixed Assets	157,904	(190,322)
Purchases of Fixed assets	(63,825)	-
(Increase) / Decrease in Current Investments	25,054,783	(25,054,783)
Interest Income (On Income Tax Refund)	219,115	287,784
Dividend on Current Investments	577,523	625,216
Net Cash Flow from / (used in) Investing Activities	(B) 25,945,500	(24,332,105)
C CASH FLOW FROM FINANCING ACTIVITIES		
Unsecured Loan taken	32,400,000	(34,586,063)
Net Cash Flow from / (used in) Financing Activities	(C) 32,400,000	(34,586,063)
Net Increase / (Decrease) in Cash & Cash Equivalent	(A)+(B)+(C) (1,652,266)	(4,451,402)
Cash and Cash Equivalent at the beginning of the Year	2,184,730	6,636,132
Cash and Cash Equivalent at the end of the Year	532,464	2,184,730
Components of Cash and Cash Equivalents :		
With Banks in Current Account	532,464	2,184,730
Total Cash and Cash Equivalents	532,464	2,184,730

Summary of Significant Accounting Policies

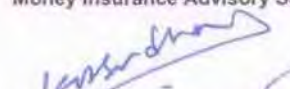
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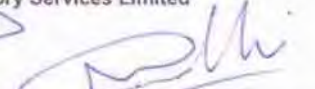
For S R B C & Co LLP
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ICAI Firm Membership No. 324982E



per Shrawan Jalan
Partner
Membership No: 102102

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


Sudhakar Ramasubramanian
Director


Manoj Kumar Gandhi
Director

Mumbai
Date: 02nd May, 2014



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(1) CORPORATE INFORMATION

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.

(2) BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified by Companies Accounting Standard Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated 04 April 2014 issued by the Ministry of Corporate Affairs. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except given in 2.1(a).

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 VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as upto twelve months for the purpose of current – Non Current classification of assets and liabilities.

(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 :

Tangible 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:

- (i) Depreciation on Tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction.
- (ii) Assets costing Rs. 5,000 or less are written off in the year of purchase.
- (iii) Leasehold improvements are amortised over the lease period or six years, whichever is earlier.
- (iv) Following rates are used to provide depreciation on Tangible fixed assets

Leasehold Improvements	Lease period or six years, whichever is earlier
Computers	16.21%
Equipments	4.75%
Furniture & fixture	6.33%

(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 its working condition for its 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.

(e) Revenue Recognition :

Insurance Commission income is accounted in case of first/ single premium in the year in which the policy is issued and thereafter, on receipt of renewal premium and as per the terms agreed with the Insurance Company.

Charge back of Commission (i.e. refund of Commission) on account of lapsation of the issued policy or any reduction in the sum assured under the policy, during the stipulated initial period of the policy is accounted for in the year of occurrence of the aforesaid events.

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend income on investments is accounted for when the right to receive the payment is established.

(f) Retirement and Other Employee Benefits :

(a) Defined Contribution Plan :

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



(b) Defined Benefit Plan :

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

(g) Taxation :

Tax expense comprises of current and deferred tax

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

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

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

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

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each balance sheet date the Company reassesses unrecognized deferred tax assets.

(h) Operating Leases :

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

(i) Contingent Liabilities and Provisions :

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

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

(j) Cash and Cash Equivalent :

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

(k) Segment Reporting :

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

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.

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

(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.



NOTE 3 SHARE CAPITAL	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Authorised : 500,000 (31st March, 2013 : 500,000) Equity Shares of Rs 10 each	5,000,000	5,000,000
Issued, Subscribed and Paid up :		
Equity Shares Capital : 490,000 (31st March, 2013 : 490,000) Equity Shares of Rs 10 each	4,900,000	4,900,000
	4,900,000	4,900,000

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

Equity Shares

	31st March, 2014		31st March, 2012	
	No of Shares	Rs	No of Shares	Rs
At the beginning of the period	490,000	4,900,000	490,000	4,900,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	490,000	4,900,000	490,000	4,900,000

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.

3. Shares held by the Holding Company :

All the Equity Shares are held by the Holding Company - Aditya Birla Money Mart Limited
(Previous Year - All the Equity Shares are held by the Holding Company - Aditya Birla Money Mart Limited)

4. Shareholders holding more than 5% shares in the Company

Aditya Birla Money Mart Limited - 490,000 Equity Shares - 100%
(Previous Year - Aditya Birla Money Mart Limited - 490,000 Equity Shares - 100%)

5. There are no shares reserved for issue under options and contracts/ commitments for the sale of shares / disinvestment for last five years.

NOTE 4 RESERVES & SURPLUS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Surplus / (Deficit) as per Statement of Profit and Loss :		
Balance as on April 1, 2013	(174,167,897)	(187,850,172)
Profit / (Loss) for the year	(7,749,429)	13,682,275
	(181,917,326)	(174,167,897)

NOTE 5 LONG TERM BORROWINGS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Unsecured Loan from Related Party	155,000,000	122,600,000
	155,000,000	122,600,000

Terms and Conditions

Repayment :

- i) Rs 155,000,000 - Repayable in 24 Months
ii) Interest @ 12% charged on Unsecured Loan from Aditya Birla Money Mart Limited

NOTE 6 OTHER LONG TERM LIABILITIES	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Liability for Rent Straightlining	3,043,927	3,721,804
	3,043,927	3,721,804

NOTE 7 LONG TERM PROVISIONS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Provisions for Employee Benefits	951,959	1,203,689
Provision for Gratuity	951,959	1,203,689



ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2014

NOTE 8 SHORT TERM BORROWINGS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Unsecured Loan from Related Party	-	32,400,000
	-	32,400,000

NOTE 9 TRADE PAYABLES	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Trade Payables	27,120,929	56,013,100
Salaries, Wages, Bonus & Other Employee Benefits	7,398,626	5,842,936
	34,519,555	61,856,036

Micro and Small Scale Business Entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2014. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company

NOTE 10 OTHER CURRENT LIABILITIES	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Liability for Rent straightlining	-	85,431
Others	53,804	18,333
Statutory Dues	1,141,621	1,400,693
Interest accrued but not due	5,477,701	-
Income received in Advance	3,828,493	
	10,501,619	1,504,457

NOTE 11 SHORT TERM PROVISIONS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Provisions for Employee Benefits		
Provision for Gratuity	19,402	21,831
Provision for Leave Encashment	1,686,296	3,863,810
	1,705,698	3,885,641



ADITYA BIRLA MONEY INSURANCE ADVISORY SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2014

NOTE 12	As at 31st March, 2014				As at 31st March, 2013			
	Computers	Furniture and Fixtures	Office Equipment	Total	Computers	Furniture and Fixtures	Office Equipment	Total
TANGIBLE ASSETS								
<u>Gross Block</u>								
As at 1st April, 2013	13,339,190	1,351,989	459,064	15,150,243	13,407,955	1,559,064	446,432	15,413,451
Additions	-	24,450	39,375	63,825	-	-	12,632	12,632
Less : Disposals	978,488	32,291	10,990	1,021,769	68,765	207,075	-	275,840
As at 31st March, 2014	12,360,702	1,344,148	487,449	14,192,299	13,339,190	1,351,989	459,064	15,150,243
<u>Accumulated Depreciation</u>								
As at 1st April, 2013	6,446,625	366,799	102,726	6,916,150	4,453,151	422,803	70,938	4,946,892
For the Year	1,986,485	73,436	19,623	2,089,544	2,017,649	75,703	31,788	2,125,140
Less : Disposals	820,933	6,695	1,305	828,933	24,175	131,707	-	155,882
As at 31st March, 2014	7,622,177	433,540	121,044	8,176,761	6,446,625	366,799	102,726	6,916,150
Net Block as on 31st March 2014	4,738,525	910,608	366,405	6,015,538	6,892,565	985,190	356,338	8,234,093

NOTE 13	As at 31st March, 2014		As at 31st March, 2013	
	Software	Software	Software	Software
INTANGIBLE ASSETS				
<u>Gross Block</u>				
As at 1st April, 2013	429,376	429,376	429,376	429,376
Additions	-	-	-	-
Less : Disposals	-	-	-	-
As at 31st March, 2014	429,376	429,376	429,376	429,376
<u>Accumulated Depreciation</u>				
As at 1st April, 2013	429,376	429,376	429,376	429,376
Additions	-	-	-	-
Less : Disposals	-	-	-	-
As at 31st March, 2014	429,376	429,376	429,376	429,376
Net Block as on 31st March 2014	-	-	-	-



NOTE 14 LONG TERM LOANS & ADVANCES (Unsecured, considered good unless stated otherwise)	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Security Deposits	6,636,000	7,011,000
	6,636,000	7,011,000

NOTE 15 CURRENT INVESTMENTS	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Birla Cash Plus IP Daily Dividend (Current Year : Nil, P.Y. 250,060 units Birla Cash Plus IP Daily Dividend of Rs.100.1950 each Current Investment valued at lower of cost and fair value unless treated otherwise)	-	25,054,783
	-	25,054,783

NOTE 16 TRADE RECEIVABLES (Unsecured, considered good unless stated otherwise)	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Due for a period exceeding six months from the date they are due for payment :		
Unsecured, considered good	-	-
Doubtful	-	-
Provision for Doubtful Receivables	-	-
(A)	-	-
Other Receivables		
Unsecured, considered good	-	1,162,482
Doubtful	-	-
Provision for Doubtful Receivables	-	1,162,482
(B)	-	1,162,482
	-	1,162,482

NOTE 17 CASH AND BANK BALANCE	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
<u>Cash and Cash Equivalent</u> Balance with Scheduled Banks In Current Accounts	532,464	2,184,730
	532,464	2,184,730

NOTE 18 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good unless stated otherwise)	As at 31st March, 2014 Rs.	As at 31st March, 2013 Rs.
Advance Tax	9,239,177	7,572,162
Advances to Employees		
Unsecured, considered good	82,501	240,001
Doubtful	50,000	50,000
Provision for Doubtful Advances	132,501	290,001
	50,000	50,000
	82,501	240,001
Prepaid Expenses	890,479	1,676,986
Statutory Deposits and Dues from Government	5,194,644	4,663,546
Other Advances	37,422	26,740
Loans and Advances to Related Parties	77,207	77,207
	15,521,430	14,256,642



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2014

NOTE 19 REVENUE FROM OPERATIONS	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Commission	63,733,510	80,169,784
Marketing / Promotion Income	15,129,938	18,689,927
	78,863,448	98,859,711

NOTE 20 OTHER INCOME	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Interest Income		
- Others	-	287,784
- Interest on Income Tax Refund	219,115	-
Profit on sale of current Investment	58,469	-
Dividend Income on Current Investment	577,523	625,216
Excess Provision Written Back	943,417	19,118
	1,798,524	932,118

NOTE 21 EMPLOYEE BENEFITS EXPENSES	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Salary and Wages (Refer Note 25)	42,384,568	55,909,297
Contribution to Provident and Other Funds	1,623,408	2,081,514
Gratuity	(230,970)	(75,309)
Staff Welfare expenses	1,402,751	1,626,389
	45,179,755	59,541,891

NOTE 22 FINANCE COST	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Interest on Loan	15,260,398	447,386
	15,260,398	447,386

NOTE 23 OTHER EXPENSES	For the year ended 31st March, 2014 Rs.	For the year ended 31st March, 2013 Rs.
Lease Rent	13,133,683	9,535,831
Rates and Taxes	65,561	3,805
Call Centre / Lead generation expenses	2,111,000	3,424,991
Communication Expenses	1,047,136	1,642,360
<u>Repairs and Maintenance:</u>		
- Computers & Equipments	306,718	515,620
- Buildings	726,880	489,974
- Others	360,503	257,890
Information Technology Charges	195,009	288,831
Service Hire Charges	1,778,151	2,185,204
Printing and Stationery	432,771	353,711
Advertisement and Business Promotion	215,361	193,385
Staff Recruitment Expenses	52,631	54,188
Asset utilisation charges	360,327	577,702
Legal and Professional Charges (Refer Note 23.1 below)	926,581	944,554
Bank charges	490,810	468,980
Travelling and Conveyance	675,631	1,241,690
Insurance	110,799	107,155
Electricity Charges	1,305,777	1,385,029
Loss on sale of Fixed Assets (Net)	34,932	310,280
Debit balances written off	-	8,916
Miscellaneous Expenses	16,147	5,001
	24,366,210	23,995,137

NOTE 23.1

Particulars	As at 31.3.2014	As at 31.3.2013
As Auditor		
- Audit Fee	250,000	250,000
- Tax Audit Fee	50,000	50,000
- Reimbursement of Expenses	12,705	12,661
	312,705	312,661



24 EARNINGS PER SHARE

Earnings per Share (EPS) is calculated as under :

	31st March, 2014	31st March, 2013
Net Profit as per statement of Profit and Loss :	(7,749,429)	13,682,275
Less : Preference Dividend and Tax thereon	-	-
Net Profit for Basic EPS (A)	(7,749,429)	13,682,275
Weighted Average number of Outstanding Equity Shares for EPS :		
- Basic (B)	490,000	490,000
- Diluted (C)	490,000	490,000
Earnings per Share (Rs)		
- Basic (A) / (B)	(15.82)	27.92
- Diluted (A) / (C)	(15.82)	27.92
Nominal value of Shares (Rs.)	10	10



25 RETIREMENT BENEFITS

The company operates two defined plans, viz., Gratuity and Leave Encashment 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 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	
	For the year ended 31.3.2014	For the year ended 31.3.2013
Current service cost	244,566	395,066
Interest cost on obligation	101,105	127,813
Expected return on Plan Assets		
Net Actuarial (gain) / loss recognised	(576,641)	(598,188)
Expense recognised in Statement of Profit and Loss	(230,970)	(75,309)

Balance Sheet

Benefit Asset / Liability

Particulars	Gratuity	
	As at 31.3.2014	As at 31.3.2013
Present Value of Defined Benefit Obligation	971,361	1,225,520
Fair Value of Plan Assets	-	-
Present Value of Defined Benefit Obligation	971,361	1,225,520

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

Particulars	Gratuity	
	As at 31.3.2014	As at 31.3.2013
Opening Defined Benefit Obligation	1,225,520	1,503,680
Current service cost	244,566	395,066
Interest Cost	101,105	127,813
Benefits paid	(23,189)	(202,851)
Actuarial (gains) / losses on obligation	(576,641)	(598,188)
Closing Defined Benefit Obligation	971,361	1,225,520

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

	For Year ended 31st March, 2014	For Year ended 31st March, 2013
Rate of Interest	9.00%	8.50%
Salary growth	6.00%	6.00%
Withdrawals rate	1%	1%
Mortality rates	LIC (2006-08) ultimate Mortality Rates	LIC (1994-96) ultimate Mortality Rates
Retirement age	60 years	60 years
Expected Return on Plan Assets	8.00%	8.00%

Experience Adjustment

Particulars	Gratuity				
	As at 31.3.2014	As at 31.3.2013	As at 31.3.12	As at 31.3.11	As at 31.3.10
Present Value of Defined Benefit Obligation	971,361	947,360	1,503,680	1,262,162	538,968
Fair Value of Plan Assets	-	-	-	-	-
(Surplus)/Deficit	971,361	947,360	1,503,680	1,262,162	538,968
Experience adjustment on Plan Liability - (Gain) / Loss	(472,043)	(636,216)	(362,563)	(196,648)	(106,073)
Experience Adjustment on Plan Assets	-	-	-	-	-
Gain / (Loss)					



Defined Contribution Plan :

The Company has recognized the following amounts as expenses and included in Note 20 in "Contribution to Provident and Other Funds"

Particulars	As at 31.3.2014	As at 31.3.2013
Contribution to Government Employees Provident Fund	1,614,089	2,028,431
Contribution to ESIC	7,589	49,617
Contribution to Labour Welfare Fund	1,728	3,466

26 LEASES

(a) Operating Lease Payments recognised in the Profit and Loss Account Rs 13,133,683 (Previous Year Rs 9,535,831)

The Company has taken certain office premises on cancellable and non cancellable operating lease

(b) The future minimum lease rental payments in respect of non cancellable operating lease are as follows :

Particulars	31st March, 2014	31st March, 2013
Not later than one year	13,769,944	13,724,703
Later than One year and Not later than five years	27,144,271	32,803,464
Later than five years	380,880	4,157,285

27 SEGMENT REPORTING

Since the company operates in a single segment i.e distribution of Life Insurance Products, no further disclosure is required to be given as per notified AS-17 'Segmental Reporting'



28 RELATED PARTY DISCLOSURES

The following Inter Company Transactions/Balances with Subsidiaries/Fellow Subsidiaries/Joint Ventures /Associates have taken place during the period

(Amount in Rupees)

Sr. No.	Particulars	Year Ended 31st March 2014 (Audited)	Year Ended 31st March 2013 (Audited)
A	Holding Company / Ultimate Holding Company		
1	Income		
	Aditya Birla Money Mart Limited (Reimbursement of Cost)	4,059,261	13,184,258
2	Expenses - Reimbursement of Cost		
	Aditya Birla Money Mart Limited (Reimbursement of Cost)	7,830,406	12,946,944
	Aditya Birla Money Mart Limited (Interest on Loan)	14,691,845	-
3	Outstanding Balances		
	- Receivables		
	- Payables		
	1. Aditya Birla Money Mart Limited	25,117,856	53,541,753
	2. Aditya Birla Money Mart Limited (ICD)	122,600,000	122,600,000
	3. Aditya Birla Money Mart Limited (Interest Payable)	5,477,701	-
	4. Aditya Birla Nuvo Limited	32,400,000	-
4	Other Transactions - ICD		
	Loan taken from Aditya Birla Money Mart Limited	-	10,750,000
	Loan given to Aditya Birla Money Mart Limited	-	13,300,000
	ICD Repaid to Aditya Birla Nuvo Limited	-	32,400,000
	ICD Taken from Aditya Birla Nuvo Limited	32,400,000	-
B	Subsidiaries / Fellow Subsidiaries		
	Brief description Company & item wise:		
1	Income		
	'1. Birla Sun Life Insurance Company Limited (Commission) (Net of Service Tax Rs 8,204)	63,733,511	80,169,782
	'2. Birla Sun Life Insurance Company Limited (Marketing Expenses Recovery) (Service Tax - Rs 1,870,062)	15,129,938	18,689,928
2	Expenses -		
	'1. Birla Sun Life Asset Management Company Limited (Interest cost)	568,553	447,386
3	Outstanding Balances		
	- Receivables		
	1. Aditya Birla Finance Limited	77,207	77,207
	2. Birla Sun Life Insurance Company Limited	-	1,162,482
	- Payables		
	1. Birla Sun Life Asset Management Company Limited	-	402,647
	2. Birla Sun Life Insurance Company Limited (Income received in advance)	3,826,642	-
4	Other Transactions -		
	ICD Taken from Birla Sun Life Asset Management Company Limited	-	32,400,000
	ICD Repaid to Birla Sun Life Asset Management Company Limited	32,400,000	-

Share Capital

(Amount in Rs.)

Particulars	Year Ended	Closing Balance
Holding Company		
Aditya Birla Money Mart Limited	31-Mar-14	4,900,000
	31-Mar-13	(4,900,000)

Previous year numbers are shown in brackets



29 CONTINGENT LIABILITIES

Contingent Liabilities not provided for :

Claims against the Company not acknowledged as Debts :

Particulars	As at 31.3.2014	As at 31.3.2013
Income Tax	3,265,990	5,397,515
Total	3,265,990	5,397,515

The matter is pending at the level of CIT (Appeals).

30 DEFERRED TAX

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

Particulars	As at 31.3.2014	As at 31.3.2013
Deferred Tax Assets		
Expenses allowed on payment basis	527,061	378,686
Unabsorbed Depreciation and Carry forward losses	59,751,285	54,012,913
Deferred Tax Liabilities		
Depreciation / amortisation	(1,201,968)	(1,835,517)
Net Deferred Tax Asset / (Liability)	59,076,378	52,556,082

Deferred tax assets have been created only to the extent of Deferred tax liability. Accordingly Deferred tax asset for Section 43B items to the extent of Rs 59,076,378 (Previous Year Rs 52,556,082) is not recognised in the Accounts

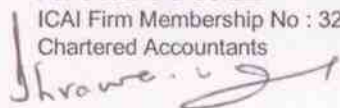
- 31 The Company has accumulated losses of Rs. 18,19,17,326 (Previous year Rs. 17,41,67,897) as at the balance sheet date, resulting in a complete erosion of Company's Net Worth. However, the Company has been able to meet its obligations in the ordinary course of business and considering the financial 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.

32 PREVIOUS YEARS FIGURES

The Company has reclassified previous years figures to conform to this years classification .

As per our report of even date

For S R B C & Co LLP
ICAI Firm Membership No : 324982E
Chartered Accountants



per Shrawan Jalan
Partner
Membership No: 102102

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



Sudhakar Ramasubramanian
Director



Manoj Kumar Gandhi
Director

Mumbai
Date: 02nd May, 2014

