

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Aditya Birla Commodities Broking Limited

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of Aditya Birla Commodities Broking Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility 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 standalone 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 standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 31 March 2017, its profit, and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to Note No. 20 of the Notes to the Financial Statements relating to the recoverability of assets in the nature of trade receivables, advances, and other assets etc. aggregating to Rs. 3,229,900 grouped under advances recoverable in cash or kind, which is subject matter of claim and more fully described therein. Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
  - (e) On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, refer Note No. 22 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.
- iv. As per books of accounts of the Company and represented by the management, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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**per Shrawan Jalan**

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: 28 April 2017

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

Re: Aditya Birla Commodities Broking Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ 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 explanation given to us, the Company has not granted any loans, secured or unsecured to or from companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 the Act and hence 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 Act 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 Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of customs and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, value added tax, 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. The provisions of duty of customs and duty of excise are not applicable to the Company.

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

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	32,034	April 2006 – May 2008	Commissioner of Service Tax
Tamil Nadu Value Added Tax Act, 2006*	Value Added Tax	30,439	April 2006- March 2007	Appellate Assistant Commissioner of Commercial taxes
		765,329	April 2007- March 2008	Commissioner of Commercial taxes
Income Tax Act, 1961	Income Tax	108,452	April 2006 – March 2007	Income Tax Appellate Tribunal

\*excludes deposits of Rs. 265,257

The provisions of duty of customs and duty of excise are not applicable to the Company.

- (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 provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

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- (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



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**per Shrawan Jalan**  
Partner  
Membership Number: 102102  
Place of Signature: Mumbai  
Date: 28 April 2017

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADITYA BIRLA COMMODITIES BROKING 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 Commodities Broking Limited

We have audited the internal financial controls over financial reporting of Aditya Birla Commodities Broking Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, 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.

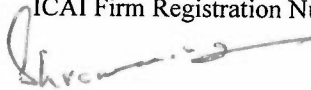
### **Opinion**

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 31 March 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: 28 April 2017



**Aditya Birla Commodities Broking Limited**

**Balance Sheet as at March 31, 2017**

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

**EQUITY AND LIABILITIES**

**Shareholders' Funds**

Share Capital

Reserves and Surplus

**Non-Current Liabilities**

Other Long-term Liabilities

Long-term Provisions

**Current Liabilities**

Trade Payables

Other Current Liabilities

Short-term Provisions

**ASSETS**

**Non-Current Assets**

Fixed Assets

Property Plant and Equipment

Long-term Loans and Advances

Other Non-Current Assets

**Current Assets**

Trade Receivables

Cash & Bank Balances

Short-term Loans and Advances

Other Current Assets

Significant Accounting Policies


The accompanying Notes are an integral part of the Financial Statements

As per our Report of even date

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Shrawan Jalan**

Partner

Membership No.: 102102



Date: April 28, 2017

Place: Mumbai

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



**Gopi Krishna Tulsian**

Director

DIN : 00017786



**Tushar Shah**

Director


DIN : 07504267




**Sumathy Ravichandrar**

Chief Financial Officer

PAN : AQZPS5845C



**Antaryami Sahoo**

Company Secretary

PAN : BXBPS5591R

		As at March 31, 2017	As at March 31, 2016
	<b>Note No.</b>		
<b>Shareholders' Funds</b>			
Share Capital	3	5,50,00,000	5,50,00,000
Reserves and Surplus	4	(1,11,54,156)	(2,24,35,988)
	Sub-Total (A)	<u>4,38,45,844</u>	<u>3,25,64,012</u>
<b>Non-Current Liabilities</b>			
Other Long-term Liabilities	5A	2,776	3,46,528
Long-term Provisions	6A	4,77,300	5,11,769
	Sub-Total (B)	<u>4,80,076</u>	<u>8,58,297</u>
<b>Current Liabilities</b>			
Trade Payables	7	87,77,339	85,98,020
Other Current Liabilities	5B	20,77,89,292	20,44,53,904
Short-term Provisions	6B	66,96,070	52,05,494
	Sub-Total (C)	<u>22,32,62,701</u>	<u>21,82,57,418</u>
	<b>TOTAL (A)+(B)+(C)</b>	<u><u>26,75,88,621</u></u>	<u><u>25,16,79,727</u></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Property Plant and Equipment	8	16,09,195	26,39,383
		<u>16,09,195</u>	<u>26,39,383</u>
Long-term Loans and Advances	9A	4,12,04,750	3,50,33,113
Other Non-Current Assets	10	6,55,09,047	6,55,09,047
	Sub-Total (D)	<u>10,83,22,992</u>	<u>10,31,81,543</u>
<b>Current Assets</b>			
Trade Receivables	11	11,87,780	47,12,739
Cash & Bank Balances	12	13,78,31,963	13,20,92,552
Short-term Loans and Advances	9B	1,70,77,825	82,59,816
Other Current Assets	13	31,68,061	34,33,077
	Sub-Total (E)	<u>15,92,65,629</u>	<u>14,84,98,184</u>
	<b>TOTAL (D)+(E)</b>	<u><u>26,75,88,621</u></u>	<u><u>25,16,79,727</u></u>
Significant Accounting Policies	2		

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

	<b>Note No.</b>	<b>Year Ended March 31, 2017</b>	<b>Year Ended March 31, 2016</b>
Revenue from Operations	14	6,89,99,619	8,09,60,741
Other Income	15	1,31,72,416	1,34,33,149
<b>Total Revenue</b>		<b>8,21,72,035</b>	<b>9,43,93,890</b>
<b>Expenses</b>			
Employee Benefits Expenses	16	2,35,37,068	2,76,98,198
Finance Cost	17	77,551	17,509
Depreciation and Amortisation Expenses	18	10,30,188	18,00,748
Business Partners Payout		2,52,99,372	2,26,36,674
Other Expenses	19	2,09,46,024	2,09,45,463
<b>Total Expenses</b>		<b>7,08,90,203</b>	<b>7,30,98,592</b>
<b>Profit Before Tax</b>		<b>1,12,81,832</b>	<b>2,12,95,298</b>
Tax Expenses			
- Current Tax		15,94,260	36,11,905
- MAT Credit		(15,94,260)	(36,11,905)
<b>Profit for the Year</b>		<b>1,12,81,832</b>	<b>2,12,95,298</b>
Earnings per share (Basic and Diluted) (Face Value of Rs. 10/- each)	24	2.05	3.92

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

As per our Report of even date

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

*Shrawan Jalan*

**per Shrawan Jalan**  
Partner  
Membership No.: 102102

Date: April 28, 2017  
Place: Mumbai



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

*Gopi Krishna Tulsian*  
**Gopi Krishna Tulsian**  
Director  
DIN : 00017786

*Tushar Shah*  
**Tushar Shah**  
Director  
DIN : 07504267

*Sumathy Ravichandrar*  
**Sumathy Ravichandrar**  
Chief Financial Officer  
PAN : AQZPS5845C

*Antaryami Sahoo*  
**Antaryami Sahoo**  
Company Secretary  
PAN : BXBPS5591R

**Aditya Birla Commodities Broking Limited**  
**Cash Flow Statement as at 31st March, 2017**  
*(All amounts are in Indian rupees, unless otherwise stated)*

Particulars	March 31,2017 Rs.	March 31,2016 Rs.
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations		
<b>Profit / (Loss) before tax</b>	<b>1,12,81,832</b>	<b>2,12,95,298</b>
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization	10,30,188	18,00,748
Provision for doubtful debts	3,65,530	4,31,330
Provision for doubtful deposits and advances	-	19,94,047
Net (gain)/ loss on sale of current investments	(33,25,953)	31,37,170
Interest expense	77,551	17,509
Interest (income)	(73,66,615)	(79,72,041)
<b>Operating profit before working capital changes</b>	<b>20,62,533</b>	<b>2,07,04,061</b>
Movements in working capital :		
Increase/ (decrease) in trade payables	1,79,319	(7,64,788)
Increase / (decrease) in long-term provisions	(34,469)	(8,57,927)
Increase / (decrease) in short-term provisions	14,90,576	41,774
Increase/ (decrease) in other current liabilities	33,35,388	1,43,33,968
Increase/ (decrease) in other long-term liabilities	(3,43,752)	1,01,360
Decrease / (increase) in trade receivables	31,59,429	(13,42,699)
Decrease / (increase) in long-term loans and advances	(10,78,229)	(1,40,23,640)
Decrease / (increase) in short-term loans and advances	(88,18,009)	56,84,617
Decrease / (increase) in other current assets	2,65,016	(1,87,035)
<b>Cash generated from / (used in) operations</b>	<b>2,17,802</b>	<b>2,36,89,691</b>
<b>Direct taxes paid (net of refunds)</b>	<b>50,93,408</b>	<b>(23,96,335)</b>
<b>Cash flow before exceptional items</b>	<b>(48,75,606)</b>	<b>2,60,86,026</b>
Exceptional item		
<b>Net cash from/ (used in) operating activities (A)</b>	<b>(48,75,606)</b>	<b>2,60,86,026</b>
<b>Cash flows from investing activities</b>		
Purchase of Mutual Fund	(11,27,73,00,000)	(9,57,26,45,510)
Proceeds from Sale of Mutual Fund	11,28,06,25,953	9,56,95,16,681
Investments in bank deposits (having original maturity of more than three months) and lien deposits	(15,89,730)	(1,39,11,993)
Interest received	73,66,615	69,49,241
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>91,02,838</b>	<b>(1,00,91,581)</b>
<b>Cash flows from financing activities</b>		
Intercompany Loan taken from parent company		2,40,00,000
Intercompany Loan repaid to parent company		(2,40,00,000)
Proceed received from Issue of Equity capital		25,00,000
Interest paid	(77,551)	(17,509)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(77,551)</b>	<b>24,82,491</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>41,49,681</b>	<b>1,84,76,936</b>
currency		
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,11,80,553</b>	<b>3,27,03,617</b>
<b>Cash and cash equivalents at the year ended</b>	<b>5,53,30,234</b>	<b>5,11,80,553</b>
<b>Components of cash and cash equivalents</b>		
With banks		
- on deposit account		
- Current Accounts	5,53,30,234	5,11,80,553
<b>Total cash and cash equivalents (Note 12)</b>	<b>5,53,30,234</b>	<b>5,11,80,553</b>

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

As per our Report of even date  
**For S.R. BATLIBOI & CO. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

*Shrawan Jalan*



per Shrawan Jalan  
Partner  
Membership No.: 102102

Date: April 28, 2017  
Place: Mumbai

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

*Gopi Krishna Tulsian*  
**Gopi Krishna Tulsian**  
Director  
DIN : 00017786

*Tushar Shah*  
**Tushar Shah**  
Director  
DIN : 07504267



*Sumathy Ravichandran*  
**Sumathy Ravichandran**  
Chief Financial Officer  
PAN : AQZPS5845C

*Jan Antaryami Sahoo*  
**Jan Antaryami Sahoo**  
Company Secretary  
PAN : BXBPS5591R

**Aditya Birla Commodities Broking Limited**  
**Notes to the financial statements for the year ended March 31, 2017**

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

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**1) Nature of operations**

Aditya Birla Commodities Broking Limited ('ABCBL' or 'the Company') was incorporated on October 10, 2003 in Chennai, Tamil Nadu. The Company is principally engaged in Commodities Broking and related activities.

**2) Statement of Significant Accounting Policies**

**a) 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. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

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

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

