

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Aditya Birla Finance 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.

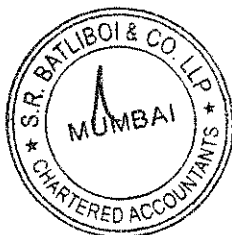
Management's Responsibility for the Financial Statements

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

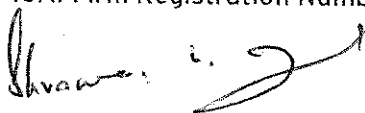
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally 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 profit 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.

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, the Statement of Profit and Loss, and the 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 S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E



per Shrawan Jalan
Partner
Membership Number: 102102

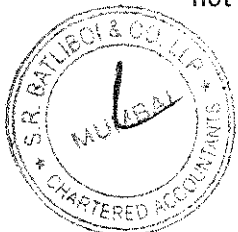


Place: Mumbai
Date: April 28, 2014

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 Finance 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) (a) The Company does not hold any securities in physical form. The securities held as stock-in-trade in dematerialised form are verified with the confirmation statement received from the custodian on a regular basis during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The Company is maintaining proper records of securities held as stock-in-trade and no discrepancies were noticed on comparing the statement from custodian with book records.
- (iii) (a) According to the information and explanations given to us, the Company has not granted 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 (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from 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)(e) 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 the 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) (a) 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.

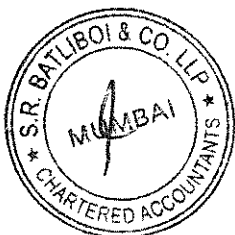


Auditors' Report
Aditya Birla Finance Limited

- (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 and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed 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 regular in depositing with appropriate authorities undisputed statutory dues including including provident fund, employees' state insurance, income-tax, service tax, wealth-tax, cess and other material statutory dues as applicable. The provisions relating to investor education and protection fund, sales-tax, customs duty and excise duty 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, service tax, wealth-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 relating to investor education and protection fund, sales-tax, customs duty and excise duty are not applicable to the Company.
- (c) According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:

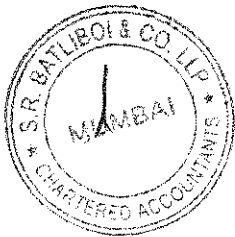
Name of the statute	Nature of dues	Amount (Rs. In lacs)	Year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax	44.49	A.Y. 2007-08	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income-tax	4.07	A.Y. 2008-09	Income Tax Appellate Tribunal (ITAT)

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (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 defaulted in repayment of dues to a financial institution, bank or debenture holders.



Auditors' Report
Aditya Birla Finance Limited

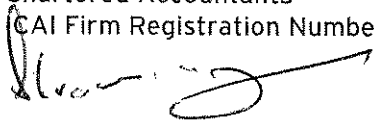
- (xii) Based on our examination of documents and records, we are of the opinion that the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company 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 respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from financial institutions.
- (xvi) Based on the 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.
- (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) According to the information and explanations given to us, the Company has issued 4,800 Units of Secured Debentures of Rs. 1,000,000 each, during the period covered by our audit report. The Company has created security or charge in respect of debentures issued. The Company also has unsecured debentures outstanding during the year, on which no security or charge is required to be created.



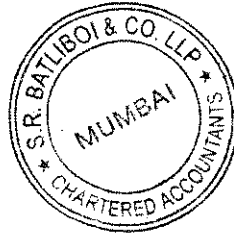
Auditors' Report
Aditya Birla Finance Limited

- (xx) The Company has not raised any money through a public issue 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. Batliboi & Co. LLP
Chartered Accountants
CAI Firm Registration Number: 301003E



per Shrawan Jalan
Partner
Membership Number: 102102



Place: Mumbai
Date: April 28, 2014

Aditya Birla Finance Limited

Balance Sheet

as at 31st March 2014

(Currency: Rupees in Lakhs)

	Notes	As at 31 March 2014	As at 31 March 2013
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital			
(i) Equity	1	31,563.74	14,628.98
(ii) Preference	1	60,000.00	60,000.00
(b) Reserves and Surplus	2	85,359.08	33,231.69
		<u>1,76,922.82</u>	<u>1,07,860.67</u>
(2) NON-CURRENT LIABILITIES			
(a) Long-term borrowings	3a	4,73,948.60	3,21,567.88
(b) Other Long-term liabilities	5a	8,294.55	3,589.49
(c) Long-term provisions	6a	9,993.10	4,010.64
		<u>4,92,236.25</u>	<u>3,29,168.01</u>
(3) CURRENT LIABILITIES			
(a) Short-term borrowings	3b	3,91,603.41	3,12,401.93
(b) Trade payables	4	2,857.58	2,100.57
(c) Other current liabilities	5b	1,22,924.54	66,172.39
(d) Short-term provisions	6b	4,018.37	2,570.81
		<u>5,21,403.90</u>	<u>3,83,245.70</u>
Total		<u><u>11,90,562.97</u></u>	<u><u>8,20,274.38</u></u>
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	7	372.35	385.69
(ii) Intangible assets	7	687.07	400.55
(iii) Intangible assets under development		279.62	374.26
(b) Non current investments	8a	1,746.97	9,303.64
(c) Deferred tax assets (Net)	9	4,239.81	1,789.27
(d) Long-term loans and advances	10a	5,34,163.30	3,45,083.12
		<u>5,41,489.12</u>	<u>3,57,336.53</u>
(2) CURRENT ASSETS			
(a) Current investments	8b	18,605.82	2,419.21
(b) Stock of Securities		11,672.48	56,902.03
(c) Trade receivables	11	31.16	519.04
(d) Cash and bank balances	12	1.89	7.89
(e) Short-term loans and advances	10b	6,09,832.88	3,93,860.89
(f) Other current assets	13	8,929.62	9,228.79
		<u>6,49,073.85</u>	<u>4,62,937.85</u>
Total		<u><u>11,90,562.97</u></u>	<u><u>8,20,274.38</u></u>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

22

As per our report of even date attached.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No: 301003E

per Shrawan Jalan

Partner

Membership No: 102102



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

[Signature] Director
[Signature] Director
[Signature] Chief Executive Officer

[Signature]
Sachin D.
Chief Financial Officer

Place: Mumbai
28 April 2014

[Signature]
Manager

Place: Mumbai
28 April 2014

Aditya Birla Finance Limited

Statement of Profit and Loss

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	Notes	Year ended 31 March 2014	Year ended 31 March 2013
I. Revenue from Operations	14	1,20,273.50	71,507.66
II. Other Income	15	39.87	493.19
III. Total Revenue		<u>1,20,313.37</u>	<u>72,000.85</u>
IV. Expenses :			
Finance costs	16	74,401.73	43,916.76
Employee benefit expenses	17	8,281.88	6,144.27
Other expenses	18	5,321.54	3,714.30
Depreciation and Amortization expenses	7	411.53	252.43
Provisions and write - offs (Net)	19	6,764.56	3,258.36
V. Total Expenses		<u>95,181.24</u>	<u>57,286.12</u>
VI. PROFIT BEFORE TAX		<u>25,132.13</u>	<u>14,714.73</u>
VII. Tax expenses :			
(a) Current Tax		11,010.00	5,770.00
(b) Deferred Tax Expenses / (Benefits)- (Net)		(2,450.55)	(1,070.49)
(c) Income tax relating to earlier years		1.26	(15.13)
VIII. PROFIT FOR THE YEAR		<u>16,571.42</u>	<u>10,030.35</u>
IX. Basic and Diluted Earnings per share (Face value Rs. 10) (Previous year Face value Rs. 10)	20	<u>7.87</u> <u>7.87</u>	<u>9.40</u> <u>9.40</u>

Summary of significant accounting policies

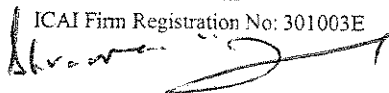
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For S.R. Batliboi & Co. LLP

Chartered Accountants

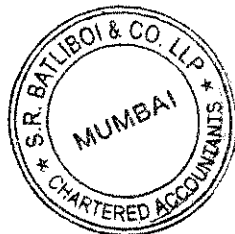
ICAI Firm Registration No: 301003E



per Shrawan Jalan

Partner

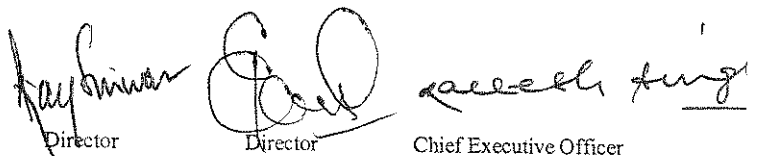
Membership No: 102102



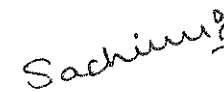
Place: Mumbai

28 April 2014

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



Director Director Chief Executive Officer



Chief Financial Officer

Place: Mumbai

28 April 2014



Manager



Aditya Birla Finance Limited

Cash flow statement

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	31 March 2014	31 March 2013
A Cash Flow from operating activities		
Profit before tax	25,132.13	14,714.73
<i>Adjustments for:</i>		
Depreciation / Amortisation	411.53	252.43
Provision for leave encashment	80.36	110.25
Provision for gratuity	(50.58)	32.46
Bad debts and Provision for Non-Performing Assets (Net)	3,899.94	1,142.06
Contingent Provision on Standard Assets	832.58	1,108.13
General Contingency Provision	1,302.83	862.36
Provision for diminution in Investments	45.92	-
Provision for employee benefits	812.22	-
Loss/(Gain) on Sale of Investments	(150.50)	(81.35)
Loss/(Gain) on Sale of Fixed Assets	(1.71)	1.94
Dividend Income	(6.84)	(8.95)
	7,175.75	3,419.33
Operating Profit before Working Capital changes	32,307.88	18,134.06
<i>Adjustments for:</i>		
(Increase)/decrease in Trade Receivables	487.88	(438.41)
(Increase)/decrease in Loans and Advances	(405,090.88)	(392,704.52)
(Increase)/decrease in Stock of Securities	45,229.55	(40,820.64)
(Increase)/decrease in Other Liabilities and Trade Payable	15,762.29	6,637.60
(Increase)/decrease in Other assets	299.18	(6,891.53)
	(343,311.98)	(434,217.50)
Cash used in Operations	(311,004.10)	(416,083.44)
Direct Taxes Paid	(10,421.46)	(5,411.38)
	(10,421.46)	(5,411.38)
Net Cash used in Operating Activities (A)	(321,425.56)	(421,494.82)
B Cash flow from investing activities		
Purchase of Tangible Assets	(145.78)	(219.69)
Purchase of Intangible Assets including assets under development	(456.02)	(568.77)
Purchase of Securities	(16,224.54)	(26,996.05)
Sale of Securities	7,699.18	22,403.15
Dividend Received	6.84	8.95
Sale of Tangible Assets	13.42	2.87
	(9,106.90)	(5,369.54)
Net Cash used in Investing Activities (B)	(9,106.90)	(5,369.54)



Aditya Birla Finance Limited

Cash flow statement

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

31 March 2014

31 March 2013

C Cash flow from financing activities

Dividend on Preference Share and Corporate Dividend Tax
 Proceeds from Borrowings
 Repayment of Borrowings
 Share Premium
 Equity Share Capital
 Preference Share Capital

(5.47)
 29,74,779.93
 (26,96,745.76)
 35,563.00
 16,934.76
 -

(3.51)
 17,98,375.72
 (14,08,293.12)
 8,468.25
 4,032.50
 22,500.00

3,30,526.46

4,25,079.84

Net Cash from Financing Activities (C)

3,30,526.46

4,25,079.84

Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)

(6.00)

(1,784.52)

Cash and Cash Equivalents (Opening Balances)

7.89

1,792.41

Cash and Cash Equivalents (Closing Balances)

1.89

7.89

Net Increase/(decrease) in Cash and Cash Equivalents

(6.00)

(1,784.52)

Note to Cash Flow Statement

Cash and Cash Equivalents include

Balances with Banks in Current Accounts

1.89

7.89

1.89

7.89

As per our report of even date attached.

For S.R. Batliboi & Co. LLP

Chartered Accountants

CAI Firm Registration No: 301003E

Shrawan

per Shrawan Jalan

Partner

Membership No: 102102



Place: Mumbai

28 April 2014



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

Prashant
 Director

Shashi
 Director

Sanjay
 Chief Executive Officer

Sachin
 Chief Financial Officer
 Place: Mumbai
 28 April 2014

M. K.
 Manager

Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014	As at 31 March 2013
1. Share Capital		
Authorised		
1,000,000,000 (Previous year: 1,000,000,000) equity shares of Rs 10 each	100,000.00	100,000.00
1,000,000,000 (Previous year: 1,000,000,000) preference shares of Rs 10 each	100,000.00	100,000.00
	<u>200,000.00</u>	<u>200,000.00</u>
Issued, Subscribed and Fully Paid up		
Equity Share Capital		
315,637,442 (Previous year: 146,289,842) equity shares of Rs 10 each, fully paid up	31,563.74	14,628.98
	<u>31,563.74</u>	<u>14,628.98</u>
Preference Share Capital		
75,000,000 (Previous year: 75,000,000) 0.01% Compulsory Convertible Cumulative Preference Shares of Rs 10 each, fully paid up*	7,500.00	7,500.00
300,000,000 (Previous year: 300,000,000) 0.01% Compulsory Convertible Cumulative Preference Shares of Rs 10 each, fully paid up**	30,000.00	30,000.00
225,000,000 (Previous year: 225,000,000) 0.01% Compulsory Convertible Cumulative Preference Shares of Rs 10 each, fully paid up***	22,500.00	22,500.00
	<u>60,000.00</u>	<u>60,000.00</u>

None of the above preference shares have been converted into equity shares till March 31, 2014.

A) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Description	31st March 2014		31st March 2013	
	Number	Rs in lakhs	Number	Rs in lakhs
I) Equity Share				
Number of Shares outstanding at the beginning of the year	146,289,842	14,628.98	105,964,842	10,596.48
Number of Shares issued during the year	169,347,600	16,934.76	40,325,000	4,032.50
Number of Shares outstanding at the end of the year	<u>315,637,442</u>	<u>31,563.74</u>	<u>146,289,842</u>	<u>14,628.98</u>
II) Preference Share				
Number of Shares outstanding at the beginning of the year:	600,000,000	60,000.00	375,000,000	37,500.00
Number of Shares issued during the year	-	-	225,000,000	22,500.00
Number of Shares outstanding at the end of the year	<u>600,000,000</u>	<u>60,000.00</u>	<u>600,000,000</u>	<u>60,000.00</u>



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

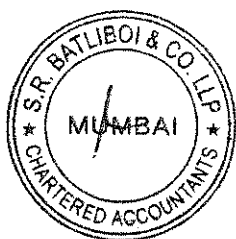
(Currency: Rupees in Lakhs)

B) Shares held by holding / ultimate holding company and / or their subsidiaries / associate

Name of Share Holder	31st March 2014		31st March 2013	
	Number	Rs in lakhs	Number	Rs in lakhs
I) Equity Share				
(i) Aditya Birla Financial Services Private Limited, holding company	315,637,441	31,563.74	146,289,841	14,628.98
(ii) ABNL Investment Limited, fellow subsidiary company	1	0.00	1	0.00
II) Preference Share 0.01% Compulsory Convertible Cumulative Preference Shares of Rs.10 each, fully paid up				
(i) Madura Garments Lifestyle Retail Company Limited, fellow subsidiary company	425,000,000	42,500.00	425,000,000	42,500.00
(ii) Aditya Birla Financial Services Private Limited, holding company	175,000,000	17,500.00	175,000,000	17,500.00

C) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Name of Share Holder	31st March 2014		31st March 2013	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
I) Equity Share				
(i) Aditya Birla Financial Services Private Limited, holding company	315,637,441	100.00%	146,289,841	100.00%
II) Preference Share 0.01% Compulsory Convertible Cumulative Preference Shares of Rs.10 each, fully paid up				
(i) Madura Garments Lifestyle Retail Company Limited, fellow subsidiary company	425,000,000	70.83%	425,000,000	70.83%
(ii) Aditya Birla Financial Services Private Limited, holding company	175,000,000	29.17%	175,000,000	29.17%



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Notes:

1 Term/right 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 Company declares and pays dividend in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

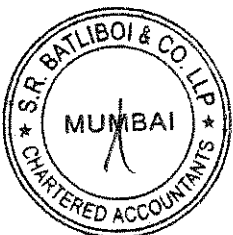
2 Term of conversion/redemption of Preference Shares

Preference shares carry cumulative dividend @0.01 % p.a. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company before conversion/ redemption of Compulsory Convertible Cumulative Preference Shares (CCCPS), the holders of CCCPS will have priority over equity shares in the payment of dividend and repayment of capital.

* Compulsory Convertible Cumulative Preference Shares (CCCPS) 75,000,000 0.01% of Rs 10 each fully paid up (31st March, 2013: 75,000,000) are convertible at any time after three months from the date of allotment i.e. 30th November 2007 for Rs. 500,000,000 CCCPS and 31st December 2007 for Rs. 250,000,000 CCCPS within 10 years from date of allotment, at a price to be decided by the Board of Directors of the Company. In the event these CCCPS are not converted into fully paid up equity shares prior to date of maturity, then these CCCPS shall be converted into appropriate numbers of fully paid up equity shares at twice the fair value of equity shares as on the date of conversion, as per the terms of issue of CCCPS.

**Compulsory Convertible Cumulative Preference Shares (CCCPS) 300,000,000 0.01% of Rs 10 each fully paid up (31st March, 2013: fully paid up 300,000,000) are convertible at any time after expiry of sixty months from the date of allotment i.e. 30th August, 2010 and at a price mutually agreed between issuer and the subscriber. In the event these CCCPS are not converted into fully paid up equity shares prior to date of maturity, then these CCCPS shall be converted into appropriate numbers of fully paid up equity shares at 2/3rd of the fair value on the date of conversion value of equity shares as on the date of conversion, as per the terms of issue of CCCPS. If at the time of conversion, the CCCPS are held by mutual fund, the conversion price shall be computed by an independent valuer to be jointly appointed by the issuer.

***Compulsory Convertible Cumulative Preference Shares (CCCPS) 200,000,000 and 25,000,000 @ 0.01% of Rs 10 each fully paid up (31st March, 2013 fully paid up 225,000,000) are convertible on or before 5 years from the date of allotment i.e. 20th July, 2012, 28th December, 2012 and 26th March, 2013 at the fair value on the date of conversion or such other ratio as may be mutually agreed between issuer and the subscriber.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

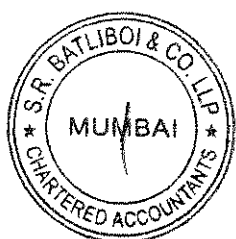
for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014	As at 31 March 2013
3a. Long-Term Borrowings		
Secured		
Redeemable Non Convertible Debentures *	81,150.00	130,167.50
Term Loan from Banks	347,298.60	155,900.38
	<u>428,448.60</u>	<u>286,067.88</u>
Unsecured		
Sub ordinate Debts - Debentures	45,500.00	35,500.00
	<u>45,500.00</u>	<u>35,500.00</u>
Total	<u><u>473,948.60</u></u>	<u><u>321,567.88</u></u>
3b. Short-Term Borrowings		
Secured		
Loan repayable on demand from Banks (Cash Credit)	97,632.71	66,598.36
	<u>97,632.71</u>	<u>66,598.36</u>
Unsecured		
Term Loan from a Bank	10,000.00	-
Commercial Papers **	280,975.04	241,250.13
Inter Corporate Borrowings	-	2,500.00
Loan from Others	-	125.43
Loan from Related Parties	2,995.66	1,928.01
	<u>293,970.70</u>	<u>245,803.57</u>
Total	<u><u>391,603.41</u></u>	<u><u>312,401.93</u></u>

* Redeemable Non Convertible Debentures shown net of unamortised discounting charges Rs. 50.59 lakhs (31st March 2013 Rs. 92.15 lakhs).

** Commercial paper shown net of unamortised discounting charges Rs. 3,525.04 lakhs (31st March, 2013 Rs. 3,549.87 lakhs).



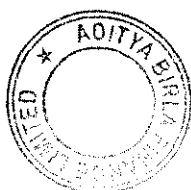
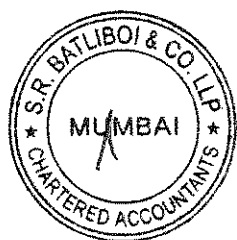
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	2014		2013	
	Current	Non Current	Current	Non Current
I) Secured Long Term Borrowings				
“The term loans from banks are secured by way of first pari passu charge on the receivables of the Company.” The repayment terms and rate of interest of term loans are as under:-				
Repayment Terms : Bullet payment at the end of Twelve to Sixty Three months, Rate of Interest 10.20 % to 10.35 % p.a.	20,000.00	151,978.68	29,990.76	120,393.96
Repayment Terms : Repayment in three equal yearly installment and five half yearly installments, Rate of Interest 10.20 % to 10.25 % p.a..	18,000.33	135,323.01	14,667.00	25,506.42
Repayment Terms : Repayment by one bullet payment at the end of thirty months and two equal annual installments each after a moratorium period of 2 years, Rate of Interest 10.20 % to 10.35 % p.a..	1,500.00	59,996.91	-	10,000.00
Debentures Secured by way of mortgage of the immovable property and first pari- passu charge on current assets of the Company:				
9.50 % to 10.20 % p.a. (Redeemable with interest from January 2017 to November 2019)	-	51,900.00	-	20,900.00
9.75 % to 10.59 % p.a. (Redeemable with interest from April 2015 to October, 2016)	-	29,250.00	-	109,267.50
9.75 % to 10.75 % p.a. (Redeemable with interest from April 2014 to March, 2015)	59,649.41	-	8,040.00	-
	<u>99,149.74</u>	<u>428,448.60</u>	<u>52,697.76</u>	<u>286,067.88</u>
II) Unsecured Long term Borrowing				
9.85 % to 10.60 % p.a. (Redeemable from February 2022 to June, 2023)	-	45,500.00	-	35,500.00
	-	45,500.00	-	35,500.00
	<u>99,149.74</u>	<u>473,948.60</u>	<u>52,697.76</u>	<u>321,567.88</u>
III) Secured Short Term Borrowings :				
Cash Credit secured by way of first pari-passu charge on Receivables of the Company.	97,632.71	-	66,598.36	-
IV) Unsecured Short Term Borrowings :				
repayable in April 2014, Rate of Interest 11.05 % p.a.	10,000.00	-	-	-
	<u>107,632.71</u>	<u>-</u>	<u>66,598.36</u>	<u>-</u>



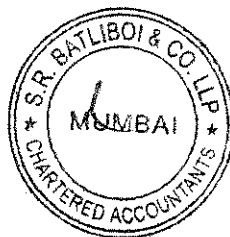
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014	As at 31 March 2013
4. Trade Payables		
Trade payables	1,383.29	694.41
Trade payables for salaries, bonus and other employee benefits	1,474.29	1,406.16
	<u>2,857.58</u>	<u>2,100.57</u>
5a. Other Long Term Liabilities		
Interest accrued and Interest accrued but not due on Loans	8,294.55	3,588.14
Liability for Rent Straight Lining	-	1.35
	<u>8,294.55</u>	<u>3,589.49</u>
5b. Other Current Liabilities		
Current maturities of Term Loan	39,500.33	44,657.76
Current maturities of Redeemable Non Convertible Debentures	59,649.41	8,040.00
Interest accrued and Interest accrued but not due on Loans	11,779.34	6,504.38
Book Overdraft	7,375.50	45.65
Income received in advance	1,008.41	573.14
Statutory Dues	223.52	159.65
Margin Money from Customers	270.29	225.79
Other Payable - Deposits (Refer note 23 (10))	2,658.34	3,595.52
Other Payable - Miscellaneous	459.40	2,370.50
	<u>1,22,924.54</u>	<u>66,172.39</u>
6a. Long Term Provisions		
Provision for Employee benefits (Refer note no. 23 (10))	1,395.84	583.62
Provision for diminution on account of restructuring	192.00	-
Contingent Provisions against Standard Assets	1,295.48	858.93
Provision for Doubtful Debts and Advances	5,931.88	2,223.94
General Contingency Provision	1,177.90	344.15
	<u>9,993.10</u>	<u>4,010.64</u>
6b. Short Term Provisions		
Proposed Dividend on Preference Shares	6.00	4.71
Provision for Corporate Dividend Tax	1.02	0.76
Provision for Income Tax (Net of advance tax Rs. 9,875.57 lakhs 31 March, 2013 Rs 5,186.70 lakhs)	1,134.43	583.30
Contingent Provisions against Standard Assets	1,545.95	1,149.92
General Contingency Provision	987.29	518.21
Provision for Leave Encashment	302.92	222.56
Provision for Gratuity	40.76	91.35
	<u>4,018.37</u>	<u>2,570.81</u>



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued) for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Note 7

Tangible Assets

	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Leaschold Improvements	Total
Gross Block							
As at 1 April 2012	26.27	298.79	92.75	95.77	84.33	210.82	808.73
Additions	-	86.63	7.66	38.46	26.09	60.85	219.69
Deletions/Adjustment	-	0.69	28.10	28.60	11.63	-	69.02
As at 31 March 2013	26.27	384.73	72.31	105.63	98.79	271.67	959.40
Additions	-	83.16	4.31	34.88	16.17	7.25	145.77
Deletions/Adjustment	-	-	2.17	28.02	4.19	2.11	36.49
As at 31 March 2014	26.27	467.89	74.45	112.49	110.77	276.81	1,068.68
Accumulated Depreciation							
As at 1 April 2012	1.42	141.78	54.47	37.21	65.04	203.88	503.80
For the year	1.31	72.93	10.47	19.58	17.61	12.22	134.12
Deletions/Adjustment	-	0.54	27.82	24.46	11.39	-	64.21
As at 31 March 2013	2.73	214.17	37.12	32.33	71.26	216.10	573.71
For the year	1.31	77.46	12.85	21.71	11.80	22.26	147.39
Deletions/Adjustment	-	-	2.04	17.19	3.96	1.58	24.77
As at 31 March 2014	4.04	291.63	47.93	36.85	79.10	236.78	696.33
Net block as at 31 March 2014	22.23	176.26	26.52	75.64	31.67	40.03	372.35
Net block as at 31 March 2013	23.54	170.56	35.19	73.30	27.53	55.57	385.69

Intangible Assets

	Software	Total
Gross Block		
As at 1 April 2012	184.22	184.22
Additions	502.46	502.46
Deletions/Adjustment	-	-
As at 31 March 2013	686.68	686.68
Additions	550.66	550.66
Deletions/Adjustment	-	-
As at 31 March 2014	1,237.34	1,237.34
Accumulated Depreciation		
As at 1 April 2012	167.82	167.82
For the year	118.31	118.31
Deletions/Adjustment	-	-
As at 31 March 2013	286.13	286.13
For the year	264.14	264.14
Deletions/Adjustment	-	-
As at 31 March 2014	550.27	550.27
Net block as at 31 March 2014	687.07	687.07
Net block as at 31 March 2013	400.55	400.55

Notes :

- 1) Redeemable Non Convertible Debenture is secured by Charge on immovable property of the Company .
- 2) Office Equipment includes Gross Assets amounting to Rs 2.19 lakhs (Previous Year : Rs 2.19 lakhs) held jointly with Birla Sun Life Insurance Company Limited.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

		As at 31 March 2014		As at 31 March 2013	
	Face value (Rs)	Numbers	Rs in lakhs	Numbers	Rs in lakhs
8a. Non Current Investments					
Long Term, Fully Paid up					
(A) Equity Shares					
Trade Investment					
Unquoted					
Investment in Subsidiary					
Aditya Birla Securities Private Limited	10	60,000	6.60	30,000	3.60
Quoted					
HDFC Bank Limited	2	1,300	0.04	1,300	0.04
MOIL Limited	10	12,245	45.92	12,245	45.92
Unquoted					
Others					
Birla Management Centre Services Limited	10	7,000	0.70	7,000	0.70
Birla Sun Life Trustee Company Private Limited	10	20	0.01	20	0.01
SWAWS Credit Corporation Private Limited (Refer note no. 23 (13))	10	3,93,748	39.37	-	-
(B) Preference Shares					
Non Trade Investment					
Unquoted					
Share Microfin Limited 0.001 % Optionally Convertible Cumulative Redeemable Preference Shares	10	1,24,93,250	1,249.33	1,29,80,000	1,298.00
(C) Debentures					
Non Trade Investment					
Unquoted					
SWAWS Credit Corporation Private Limited Optionally Convertible Debentures carrying fixed coupon rate of 12 % p.a. (Refer note no. 23 (13))	100	13,125	13.13	-	-
Floreat Investment Ltd Non Convertible Debentures carrying fixed coupon rate of 11.1 % (payable annually).	10,00,000	-	-	500	5,000.00
Indiabulls Housing Finance Limited Non Convertible Debentures carrying fixed coupon rate of 10.10% (payable annually).	1,00,000	-	-	2,500	2,500.00



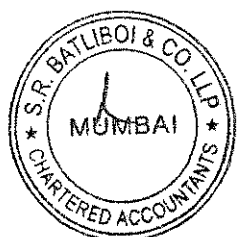
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014		As at 31 March 2013		
	Face value (Rs)	Numbers	Rs in lakhs	Numbers	Rs in lakhs
(D) Others					
Non Trade Investment					
Unquoted					
PMS Investment	-	-	437.79	-	455.37
Less: Provision for diminution on investments			(45.92)		-
			<u>1,746.97</u>		<u>9,303.64</u>
i) Aggregate amount of Quoted Investments			45.96		45.96
ii) Aggregate amount of Unquoted Investments			1,701.01		9,257.67
iii) Aggregate market value of Quoted Investments			40.46		35.43
iv) Aggregate market value of PMS Investments			730.47		654.02
v) Aggregate amount of diminution in value of investments Rs. 45.92 lakhs (31st March, 2013 Rs. Nil).					
vi) Non Current Investment valued at cost unless stated otherwise.					
vii) Quoted Debentures Market value has been taken at cost since these are not frequently traded.					
viii) Refer note no. 23 (10).					



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	Face value (Rs)	As at 31 March 2014		As at 31 March 2013	
		Numbers	Rs in lakhs	Numbers	Rs in lakhs
8b. Current Investments					
(A) Commercial Papers / Certificate of Deposit					
Unquoted					
Karvy Financial Services Private Limited	500,000	300	1,458.56	500	2,419.21
RHC Holding Private Limited	500,000	500	2,433.76	-	-
Punjab and Sind Bank	100,000	7,500	7,352.95	-	-
UCO Bank	100,000	7,500	7,360.55	-	-
			18,605.82		2,419.21
i) Aggregate amount of Unquoted Investments			18,605.82		2,419.21
ii) Aggregate amount of Quoted Investments			-		-
iii) Aggregate market value of Quoted Investments			-		-
iv) Current Investments are stated at lower of cost and market/fair values.					



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

As at
31 March 2014

As at
31 March 2013

9. Deferred Tax Assets (Net)

Deferred Tax Assets at the year end comprise timing differences on account of:

Depreciation	(45.45)	7.40
Provision for Doubtful Debts	2,016.25	641.41
Contingent Provisions against Standard Assets	965.80	682.81
General Contingency Provision	735.95	293.12
Rent Straight Lining	-	0.46
Provision Others	567.26	164.07
	<u>4,239.81</u>	<u>1,789.27</u>

10a. Long-Term Loans and Advances

Secured

(Considered good unless otherwise stated)

Project Finance	169,275.83	135,181.43
Term Loan	53,092.69	41,608.16
Mortgage Finance	262,549.15	133,937.79
Collateral Finance	13,362.65	6,000.00
	<u>498,280.32</u>	<u>316,727.38</u>

Unsecured

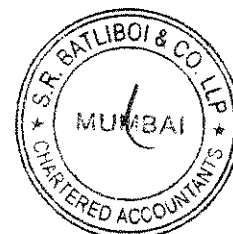
(Considered good unless otherwise stated)

Security Deposits	135.41	251.70
Corporate Finance (Bills Discounted/Purchased/Invoice Factoring)	-	715.04
Loan to Micro Finance	1,546.21	1,862.41
Loan - Rural Finance	100.64	-
Prepaid Expenses	20.23	23.02
Personal Loan	12.81	-
Project Finance	13,602.00	17,000.00
Term Loan	5,596.10	-
Capital Advances	158.88	-
	<u>21,172.28</u>	<u>19,852.17</u>

Doubtful*

Collateral Finance	1,921.91	3,362.56
Corporate Finance (Bills Discounted/Purchased/Invoice Factoring)	1,041.22	1,049.69
Project Finance	4,633.33	-
Term Loan	6,991.74	3,916.32
Loan to Micro Finance	122.50	175.00
	<u>14,710.70</u>	<u>8,503.57</u>
	<u>534,163.30</u>	<u>345,083.12</u>

* Represents non-performing assets classified as sub-standard and doubtful in accordance with norms for classification of assets as per RBI Prudential norms for Non-Banking Finance Companies.



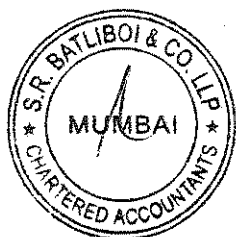
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014	As at 31 March 2013
10b. Short-Term Loans and Advances		
Secured		
(Considered good unless otherwise stated)		
Collateral Finance	293,878.28	209,942.43
Loan against Commodity	-	15.00
Term Loan	31,720.77	30,670.51
Mortgage Finance	33,801.52	9,221.02
Project Finance	48,244.35	47,074.76
	<u>407,644.92</u>	<u>296,923.72</u>
Unsecured		
(Considered good unless otherwise stated)		
Corporate Finance (Bills Discounted/Purchased/Invoice Factoring)	135,266.24	60,238.64
Loan to Micro Finance	577.85	602.40
Inter Corporate Deposits	19,931.00	11,603.00
Term Loan	26,548.51	12,414.99
Project Finance	17,500.00	11,000.00
Loan - Rural Finance	1,025.24	-
Personal loan	6.09	-
Loans and Advance to Related Parties	1.44	1.09
Others Advances	62.93	33.05
Security Deposits	277.91	0.48
Loan to Employees	0.09	9.46
Prepaid Expenses	313.97	272.12
Service Tax Receivable	44.56	91.14
Advance Payment of Taxes (Net of provision for taxation Rs. 9,010 lakhs 31 March, 2013 Rs 5,300 lakhs)	632.13	670.80
	<u>202,187.96</u>	<u>96,937.17</u>
	<u><u>609,832.88</u></u>	<u><u>393,860.89</u></u>

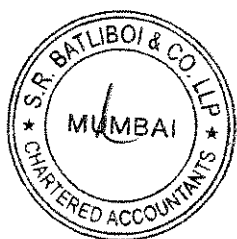


Aditya Birla Finance Limited

Notes to the Financial Statements (Continued) for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	As at 31 March 2014	As at 31 March 2013
11. Trade Receivable (Unsecured, considered good unless otherwise stated)		
Other Debts	31.16	519.04
	<u>31.16</u>	<u>519.04</u>
12. Cash and Bank Balances		
Cash and Cash Equivalent		
Balances with Banks in Current Accounts	1.89	7.89
	<u>1.89</u>	<u>7.89</u>
13. Other Current Assets		
Interest Accrued but not due/Interest Receivable	8,929.62	9,228.79
	<u>8,929.62</u>	<u>9,228.79</u>



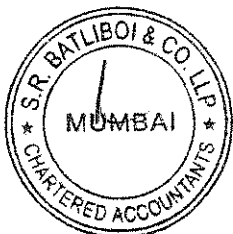
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	Year ended 31 March 2014	Year ended 31 March 2013
14. Revenue From Operations		
<u>Interest</u>		
Capital Market Activity		
Interest on Loan against Securities	31,846.97	24,636.22
Interest on Loan against IPO Funding	234.09	102.73
	<u>32,081.06</u>	<u>24,738.95</u>
Corporate Finance		
Bills Discounting/Invoice Factoring Charges	9,654.19	7,444.25
Interest income on Micro Finance	97.43	306.17
	<u>9,751.62</u>	<u>7,750.42</u>
Term Loan/Project Finance/Mortgage Finance/Others		
Interest on Term Loan	11,347.85	6,446.16
Interest on Project Finance	29,371.12	15,524.40
Interest on Mortgage Finance	26,498.16	7,451.51
Interest Income on Loans - Personal Loan	0.07	-
Interest on Rural Finance Loans	92.28	-
	<u>67,309.48</u>	<u>29,422.07</u>
Inter Corporate Deposits		
Interest on Inter Corporate Deposits	1,962.97	1,326.83
	<u>1,962.97</u>	<u>1,326.83</u>
Others		
Discount Charges on Commercial Paper	446.41	290.19
	<u>446.41</u>	<u>290.19</u>
	<u>111,551.54</u>	<u>63,528.46</u>
Other Financial Services		
Treasury Operations		
Income from Long Term Investments		
Dividend	6.84	8.95
Income from Current Investments		
Gain on sale of Investments (Net)	150.50	81.35
Securities Trading Income	3,483.32	3,410.52
	<u>3,640.66</u>	<u>3,500.82</u>
Syndication and Other Fee Income		
Corporate Finance	913.03	864.27
Capital Market	549.87	322.68
Project Finance	1,752.53	2,025.23
Treasury	61.74	1.68
Mortgage Finance	1,796.81	1,264.52
Rural Finance	7.32	-
	<u>5,081.30</u>	<u>4,478.38</u>
	<u>8,721.96</u>	<u>7,979.20</u>
	<u>120,273.50</u>	<u>71,507.66</u>



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Year ended
31 March 2014

Year ended
31 March 2013

15. Other Income

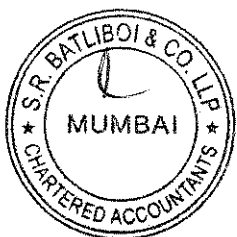
Other Interest	31.19	26.92
Excess Provision no longer required	-	134.02
Cenvat Credit of earlier years	-	305.44
Gain on Sale of Fixed Assets (Net)	1.71	-
Miscellaneous Income (includes excess provision and sundry balances written back (Net))	6.97	26.81
	<u>39.87</u>	<u>493.19</u>

16. Finance Cost

Interest Expenses (Refer note 23 (10))	49,498.81	21,823.69
Discounting charges on Commercial Paper	24,779.04	21,976.70
Other Borrowing Costs	123.88	116.37
	<u>74,401.73</u>	<u>43,916.76</u>

17. Employee Benefit Expenses

Salaries, Bonus and Allowances	7,739.28	5,746.48
Contribution to Provident and Other Funds	251.50	253.27
Staff Welfare Expenses	291.10	144.52
	<u>8,281.88</u>	<u>6,144.27</u>



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Year ended
31 March 2014

Year ended
31 March 2013

18. Other Expenses

Rent	739.20	515.28
Travelling and Conveyance	492.99	320.60
Water and Electricity	47.38	48.58
Repairs and Maintenance:		
Plant and Machinery	1.33	1.36
Others	274.85	172.21
Insurance	72.27	51.09
Communication Expenses	79.70	90.84
Legal and Professional Charges (Refer note no. 23 (6))	1,030.46	1,374.57
Loss on Sale of Fixed Assets (Net)	-	1.94
Rates and Taxes	342.23	226.95
Printing and Stationery	56.60	36.23
Contract Service Charges	83.14	68.44
Information Technology Expenses	194.21	100.74
Business / Sales Promotion Expenses	90.73	24.93
Advertisement Expenses	466.88	25.89
Postage Expenses	21.27	15.86
Bank Charges	67.33	49.74
Brokerage and Commission	1,059.52	455.74
Miscellaneous Expenses	201.45	133.31
	<u>5,321.54</u>	<u>3,714.30</u>

19. Provisions and Write - offs (Net)

Bad debts/Advances Written off	793.96	-
Provision for Doubtful Debts and Advances	4,516.56	1,557.62
Provision for Doubtful Debts written back	(808.62)	(415.56)
Provision for diminution in Current Investment written back	(145.82)	-
Provision for Diminution in value of Long Term Investment	45.92	-
Change in Carrying Value of Current Investment	35.15	482.69
Provision for diminution on account of restructuring	192.00	-
General Contingency Provision	1,302.83	525.48
Contingent Provisions against Standard Assets	832.58	1,108.13
	<u>6,764.56</u>	<u>3,258.36</u>



Aditya Birla Finance Limited

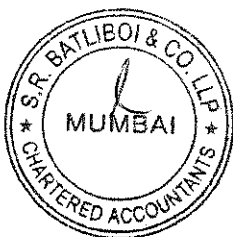
Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

	31 March 2014	31 March 2013
20. Earnings per Share		
Net Profit after Tax	16,571.42	10,030.35
Less: Dividend on Preference Share (including Corporate Dividend Tax)	7.02	5.47
Net Profit after Tax available for equity shareholders	16,564.40	10,024.87
Weighted average number of equity shares outstanding (Numbers)	210,342,542	106,627,719
Basic and Diluted Earnings per share (Rs.)	<u>7.87</u>	<u>9.40</u>

Note: In absence of the rate at which, 0.01% Compulsory Convertible Cumulative Preference Share of the Company shall be converted, its effect on diluted EPS has not been worked out.



Aditya Birla Finance Limited

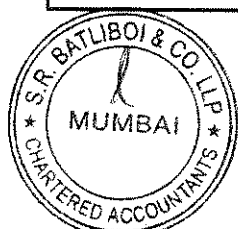
Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

21A. Disclosure in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Sr No.	Particulars	Amount out-standing	Amount overdue
Liabilities side :			
1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured (including interest accrued but not due of Rs.13,384.77 lakhs)	154,184.17	-
	: Unsecured (including interest accrued but not due of Rs.5,704.68 lakhs) (other than falling within the meaning of public deposits*)	51,204.68	-
	(b) Deferred Credits	-	-
	(c) Term Loans	396,798.93	-
	(d) Inter-corporate loans and borrowing (including interest accrued but not due of Rs. 0.21 lakhs)	2,995.87	-
	(e) Commercial Paper	280,975.04	-
	(f) Other Loans (Working Capital) & Others	97,632.71	-
		<u>983,791.41</u>	<u>-</u>
* Please see Note 1 below			
Assets side :			
2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :	Amount out-standing	
	(a) Secured :	905,925.24	
	(b) Unsecured :	236,424.93	
	(includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)		
3)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	
		<u>1,142,350.17</u>	



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

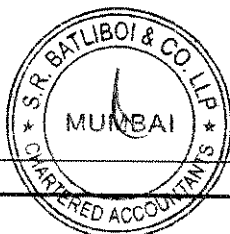
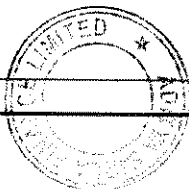
(Currency: Rupees in Lakhs)

<u>Assets side :</u>	Amount out-standing
4) Break-up of Investments :	
1. <u>Quoted :</u>	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Commercial Paper)	-
2. <u>Unquoted :</u>	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Commercial Paper / Certificate of Deposits)	18,605.82
 Long Term investments :	
1. <u>Quoted :</u>	
(i) Shares : (a) Equity	45.96
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Please specify)	-
2. <u>Unquoted :</u>	
(i) Shares : (a) Equity	46.68
(b) Preference	1,249.33
(ii) Debentures and Bonds	13.13
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (PMS)	391.87

5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Please see Note 2 below

Category	Net of Provisions		
	Secured	Unsecured	Total
1) Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	1.44	1.44
(c) Other related parties	-	-	-
2) Other than related parties	905,925.24	236,423.49	1,142,348.73
	<u>905,925.24</u>	<u>236,424.93</u>	<u>1,142,350.17</u>



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):
Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1) Related Parties**		
(a) Subsidiaries	6.00	6.60
(b) Companies in the same group	0.03	0.01
(c) Other related parties	-	-
2) Other than related parties	20,541.45	20,346.18
	<u>20,547.49</u>	<u>20,352.79</u>

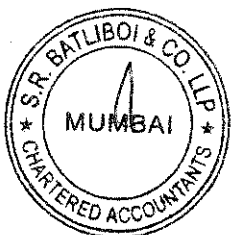
Note: Break up value derived from the latest available Balance Sheet of the Company.
** As per Accounting Standard of ICAI (Please see Note 3)

7) Other information :

(i) Gross Non-Performing Assets :	
(a) Related parties	-
(b) Other than related parties	14,710.69
(ii) Net Non-Performing Assets :	
(a) Related parties	-
(b) Other than related parties	8,778.52
(iii) Assets acquired in satisfaction of debt :	-

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non -Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

21B.

CRAR

Sr. No.	Items	Current Year	Previous Year
(i)	CRAR (%)	18.63	17.51
(ii)	CRAR - Tier I capital (%)	14.54	12.92
(iii)	CRAR - Tier II Capital (%)	4.09	4.59

Exposures

Exposure to Real Estate Sector

Category		(Rs.in Crores)	
		Current Year	Previous Year
Direct exposure			
i)	<u>Residential Mortgages</u> - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lakhs may be shown separately).	Nil	Nil
ii)	<u>Commercial Real Estate</u> - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	2,963.51	1,431.59
iii)	<u>Investments in Mortgage Backed Securities (MBS) and other securitised exposures</u> - a. Residential b. Commercial Real Estate	Nil Nil	Nil Nil
iv)	<u>Indirect Exposure</u> Fund base and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

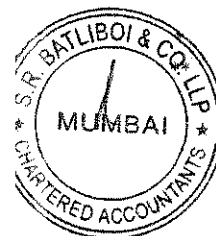
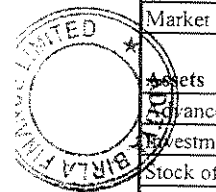
(Rs.in Crores)

Particulars	1 day to 30/31 days (one month)	Over one months to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	115.00	73.33	-	-	1,282.99	1,933.33	1,540.00	-	4,944.65
Market borrowings *	851.96	1,627.60	518.26	132.07	276.35	427.50	297.00	542.00	4,672.74
Assets									
Advances **	1,844.73	1,128.00	1,084.02	676.53	1,415.12	1,848.94	1,237.48	2,188.68	11,423.49
Investments	-	-	186.89	-	-	-	-	16.88	203.77
Stock of Securities	116.72	-	-	-	-	-	-	-	116.72

Net of Unamortized Discounting charges on Commercial Paper and Non convertible Debentures amounting to Rs. 35.76 Cr.

a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans and excludes Advances Recoverable in cash or kind or for value to be received and Advance Payment of Taxes and Other Deposits.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Notes forming part of Accounts 22

Significant Accounting Policies

1. 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 aspects of the Accounting Standards (AS) notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs and the guidelines issued by Reserve Bank of India (RBI) as applicable to Non Banking Finance Company (NBFC). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non current.

2. 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.

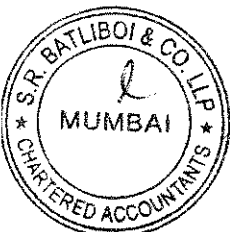
3. Tangible Fixed Assets

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.

Depreciation on Tangible Fixed Assets is provided on Straight Line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher. The Company has used the following useful life to provide depreciation on its Fixed Assets.

	Estimated useful life
Building	20 Years
Office Computers and Electronic Equipments	4 Years
Vehicles	5 Years
Furniture, Fixtures and Other Office Equipments	7 Years
Leasehold Land/Improvements	Over the primary period of the lease.

Tangible Fixed Assets costing below Rs 5,000 should be capitalized and 100% depreciation should be charged in the year of acquisition.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Significant Accounting Policies (Continued)

3. Tangible Fixed Assets (Continued)

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of acquisition or sale.

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

4. Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and impairment losses, if any. Intangible Assets are amortized on a straight line basis over their estimated useful lives as under :-

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

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated Intangible Assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

Intangible Assets are amortized on a straight line basis over the estimated useful economic lives as under :-

Computer Software	3 years
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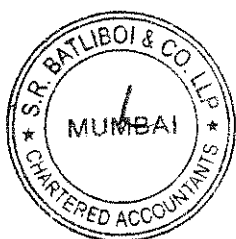
Intangible Assets are assessed for impairment whenever there is an indication that the Intangible Asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.



Aditya Birla Finance Limited

Notes to the Financial Statements (*Continued*)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Significant Accounting Policies (*Continued*)

5. Impairment of Tangible and Intangible Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

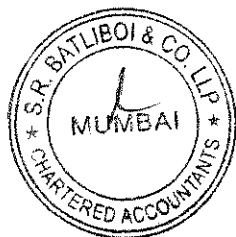
6. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Significant Accounting Policies (Continued)

7. Inventories

Stocks of securities are valued at lower of cost and net realizable value. Cost includes cost of purchase and other directly attributable purchase costs.

Net realizable value is the estimated fair value of securities as on the Balance Sheet date.

8. Revenue Recognition

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

Interest income is recognised in the Statement of Profit and Loss on accrual basis, except in the case of non-performing assets.

Income recognised and remaining unrealised after installments become overdue for six months or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.

Income on discounted instruments is recognised over the tenor of the instrument on a straight line basis.

Processing Fees and Syndication income is recognised on accrual basis.

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

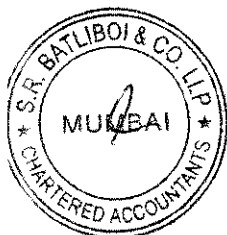
Sales are recorded net of trade discounts, rebates and securities transaction tax.

9. Taxation

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The un-recognised Deferred Tax assets are re-assessed by the Company at each balance sheet date and are recognised to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying cost of the 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



Aditya Birla Finance Limited

Notes to the Financial Statements (*Continued*)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Significant Accounting Policies (*Continued*)

9. Taxation (*Continued*)

taxable income will be available against which deferred tax asset can be realised. 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.

10. Retirement and Other Employee Benefits

i) Defined Contribution Plan

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

(ii) 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 Statement of Profit and Loss 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.

The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Ultimate Holding Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Ultimate Holding Company is additionally provided for. Actuarial losses/ Gains are recognized in Statement of Profit and Loss in the year in which they arise.

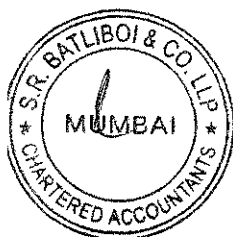
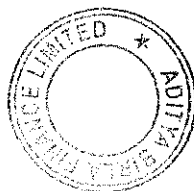
(iii) Other Long Term Incentive Benefits

Other Long Term Incentive Benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

11. Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of an asset.

All other borrowing costs are expensed in the period they occur.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Significant Accounting Policies (Continued)

12. 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 less than three months.

13. Earnings Per Share

Basic Earnings Per Share is 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.

14. Provision and Contingencies

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.

Non performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

The management based on its judgement provides additional contingency provision on standard assets.

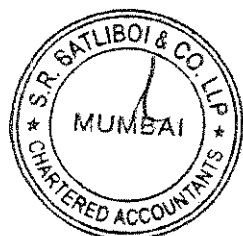
Provision on Standard Assets is made @ 0.25% as per the notification DNBS.PD.CC.No.207/03.02.002/2010-11 issued by Reserve Bank of India.

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

Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. Contingent Liabilities are not provided for and disclosed by way of notes.

15. 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 straight line basis.



Aditya Birla Finance Limited

Notes to the Financial Statements (*Continued*)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

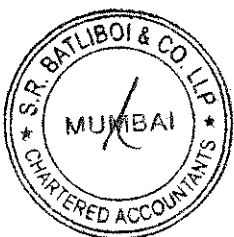
Significant Accounting Policies (*Continued*)

16. 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 and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

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



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

Notes forming part of accounts 23

1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 99.70 lakhs (31st March, 2013 Rs. 43.84 lakhs).
2. **Contingent Liabilities not provided for as on 31st March, 2014:-**
 - a. Disputed Income Tax Liability Rs. 124.52 lakhs (31st March, 2013 Rs.175.10 lakhs).*
 - b. Claims against the Company not acknowledged as debts Rs. 812 lakhs (31st March, 2013 Rs. 812 lakhs)**
 - c. Corporate guarantees given by the Company on behalf of the clients Rs 951.33 lakhs, (31st March 2013 Rs Nil).
 - d. Liabilities for pro-rata refund on insurance claim to the Insurance Company arising as a result of any part of outstanding debt not recognized in the final judgement, is not ascertainable as the legal matter for recovery of such amounts is still under process.

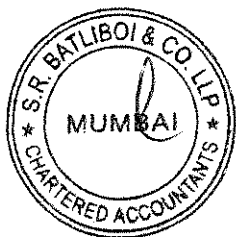
* Disputed Income Tax liability includes Disallowance u/s 14A read with rule 8D for Financial Year 2007-08 Rs. 60.74 lakhs and for Financial Year 2006-07 Rs.10.84 lakhs. The matter is pending before Income tax Appellate Tribunal.

The claims against the Company comprise of the following :-

** Two of Company clients have filed the Claim Petition as per High Court Order dated 27.10.2009 for an amount of Rs. 512 lakhs along with damages with interest. The matter is pending before Arbitrator.

The Company had filed an appeal on 30.06.2011 before The Securities and Appellate Tribunal (SAT) against the communication of SEBI dated 28.03.2011 restraining certain entities to access the securities market and further prohibited them from buying, selling or dealing in securities in any manner. The appeal has been allowed by SAT in Company's favour. The Company has undertaken that in the event it is called upon by the Tribunal or Board to bring back money of Rs. 300 lakhs which Company have realized by the sale of shares, Company shall do so forthwith.

3. The Company is in the process of identifying the parties which are covered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). As of March 31, 2014 the Company is not aware of any party which gets covered under MSMED Act. The Company does not have any outstanding balance due as on March 31, 2014 (March 31,2013: Rs. Nil)



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

4. Related Party Disclosures

D) List of related parties

(A) Where control exists:-

- Aditya Birla Financial Services Private Limited (ABFSPL) (Holding Company)
- Aditya Birla Nuvo Limited (Ultimate Holding Company)

(B) Subsidiaries / Fellow Subsidiaries :-

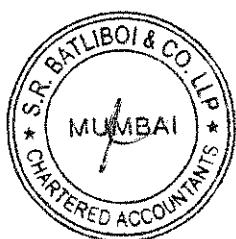
- Aditya Birla Securities Private Limited (ABSPL)

Fellow Subsidiaries

- Aditya Birla Customer Services Private Limited (ABCSPL)
- Aditya Birla Financial Shared Services Limited (ABFSSL)
- Aditya Birla Money Limited (ABML)
- Aditya Birla Insurance Brokers Limited (ABIBL)
- Aditya Birla Money Mart Limited (ABMML)
- Aditya Birla Money Insurance Advisory Services Limited (ABMIASL)
- ABNL Investment Limited (ABNLIL)
- Aditya Birla Minacs Worldwide Limited (ABMWL)
- Birla Sun Life Insurance Company Limited (BSLICL)
- Birla Sun Life Asset Management Company Limited (BSAMCL w.e.f 10th October 2012.)
- Madura Garments Lifestyle Retail Company Limited (MGLRCL)

(C) Key management personnel

- Mr. Sekhar Mosur (w.e.f. 5th January, 2013)
- Mr. K. G. Ajmera till 4th January, 2013



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

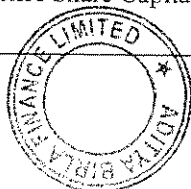
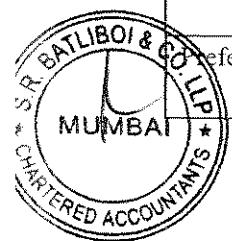
for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

4. Related Party Disclosures (Continued)

II) Transactions with Related parties

Particulars	Referred in (A) above	Referred in (B) above	Referred in (C) above	Total
Remuneration	- (-)	- (-)	101.00 (108.38)	101.00 (108.38)
Brokerage / Other Expenses	- (-)	83.95 (27.74)	- (-)	83.95 (27.74)
Interest Expenses	4.66 (145.99)	288.00 (176.27)	- (-)	292.66 (322.36)
Administrative Expenses	2.12 (-)	434.23 (156.32)	- (-)	436.35 (156.32)
Dividend	1.45 (0.75)	3.26 (2.26)	- (-)	4.71 (3.01)
Interest Income	- (8.66)	- (155.01)	- (-)	- (163.67)
Administrative Income	3.53 (-)	5.54 (1.29)	- (-)	9.07 (1.29)
Others/ Brokerage	- (-)	- (0.15)	- (-)	- (0.15)
Loan granted (including ICDs)	- (2,500.00)	- (1,946.00)	- (-)	- (4,446.00)
Loan granted received back (including ICDs)	- (2,500.00)	- (5,892.00)	- (-)	- (8,392.00)
Loan obtained (including ICBs)	10,000.00 (92,000.00)	6,923.03 (4,217.66)	- (-)	16,923.03 (96,217.66)
Loans repaid (including ICBs)	10,000.00 (95,700.00)	5,855.39 (4,242.70)	- (-)	15,855.39 (99,942.70)
Preference Share Capital	- (10,000.00)	- (12,500.00)	- (-)	- (22,500.00)
Equity Share Capital	16,934.76 (4,032.50)	- (-)	- (-)	16,934.76 (4,032.50)
Equity Share Premium	35,563.00 (8,468.25)	- (-)	- (-)	35,563.00 (8,468.25)
Purchase of Share / others	- (42.65)	3.00 (9,534.79)	- (-)	3.00 (9,577.44)
Sale of Shares	- (224.48)	- (-)	- (-)	- (224.48)
Purchase of Fixed Assets	7.51 (-)	34.83 (59.35)	- (-)	42.34 (59.35)
Preference Share Capital outstanding	17,500.00 (17,500.00)	42,500.00 (42,500.00)	- (-)	60,000.00 (60,000.00)



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

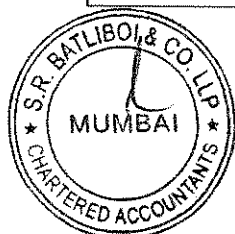
(Currency: Rupees in Lakhs)

4. Related Party Disclosures (Continued)

Particulars	Referred in (A) above	Referred in (B) above	Referred in (C) above	Total
Loan taken	- (-)	2,995.66 (1,928.01)	- (-)	2,995.66 (1,928.01)
Amount Payable	- (-)	82.68 (135.81)	- (-)	82.68 (135.81)
Amount Receivable	0.07 (-)	1.37 (1.09)	- (-)	1.44 (1.09)
Non Convertible Debentures (NCD)	-	1,000.00	-	1,000.00
Interest accrued on NCD	-	29.75	-	29.75
Security deposit receivable	-	88.30	-	88.30

III) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	Current year	Previous year
Brokerage / other expenses		
Aditya Birla Money Mart Limited	36.72	27.74
Aditya Birla Customer Services Private Limited	5.62	-
Aditya Birla Minacs Worldwide Limited	41.61	18.57
Dividend expenses		
Aditya Birla Financial Services Private Limited	1.45	0.75
Madura Garments Lifestyle Retail Company Limited	3.26	2.26
Remuneration		
Mr. K.G. Ajmera	-	93.30
Mr. Sekhar Mosur	101.00	15.08
Administrative Expenses		
Aditya Birla Money Mart Limited	18.76	-
Aditya Birla Money Limited	1.01	4.46
Aditya Birla Insurance Brokers Limited	1.90	6.52
Aditya Birla Financial Shared Services Limited	170.45	54.33
Birla Sun Life Insurance Company Limited	216.96	57.92
Aditya Birla Nuvo Limited	2.12	-
Birla Sun Life Asset Management Company Limited	25.15	14.52
Interest expenses		
Aditya Birla Nuvo Limited	4.66	145.99
Aditya Birla Insurance Brokers Limited	258.24	134.91
Birla Sun Life Insurance Company Limited	29.75	41.36



Aditya Birla Finance Limited

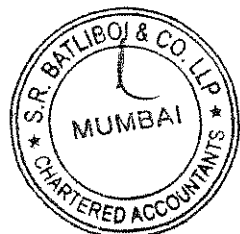
Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

4. Related Party Disclosures (Continued)

Particulars	Current year	Previous year
Interest Income		
Aditya Birla Money Limited	-	16.88
Aditya Birla Customer Services Private Limited	-	138.13
Aditya Birla Nuvo Limited	-	8.66
Brokerage and Other Income		
Aditya Birla Money Limited	-	0.15
Administrative Income		
Aditya Birla Nuvo Limited	3.53	-
Aditya Birla Insurance Brokers Limited	5.34	-
Aditya Birla Money Mart Limited	0.02	-
Birla Sunlife Asset Management Company Limited	0.17	-
Birla Sun Life Insurance Company Limited	-	1.29
Loan granted (including ICDs)		
Aditya Birla Customer Services Private Limited	-	1,946.00
Aditya Birla Nuvo Limited	-	2,500.00
Loan granted received back (including ICDs)		
Aditya Birla Money Limited	-	2,000.00
Aditya Birla Nuvo Limited	-	2,500.00
Aditya Birla Customer Services Private Limited	-	3,892.00
Loan obtained (including ICBs)		
Aditya Birla Nuvo Limited	10,000.00	92,000.00
Aditya Birla Insurance Brokers Limited	6,923.03	4,217.66
Birla Sun Life Insurance Company Limited	1,000.00	-
Loans repaid (including ICBs)		
Aditya Birla Nuvo Limited	10,000.00	95,700.00
Aditya Birla Insurance Brokers Limited	5,855.39	3,242.70
Birla Sun Life Insurance Company Limited	-	1,000.00
Preference Share Capital		
Madura Garments Lifestyle Retail Company Limited	-	12,500.00
Aditya Birla Financial Services Private Limited	-	10,000.00
Equity Share Capital		
Aditya Birla Financial Services Private Limited	16,934.76	4,032.50
Share Premium		
Aditya Birla Financial Services Private Limited	35,563.00	8,468.25
Purchase of Shares / others		
Aditya Birla Nuvo Limited	-	42.65
Aditya Birla Securities Pvt Ltd	3.00	-
Madura Garments Lifestyle Retail Company Limited	-	9,534.79



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

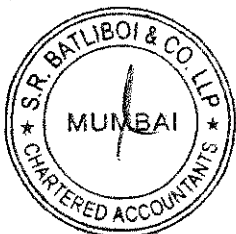
(Currency: Rupees in Lakhs)

4. Related Party Disclosures (Continued)

Particulars	Current year	Previous year
Sale of Shares		
Aditya Birla Financial Services Private Limited	-	224.48
Purchase of Fixed Assets		
Aditya Birla Nuvo Limited	7.51	-
Aditya Birla Minacs Worldwide Limited	27.44	28.03
Aditya Birla Money Limited	7.39	-
Birla Sun Life Insurance Company Limited	-	31.33
Payable		
Aditya Birla Insurance Brokers Limited (Loan)	2,995.66	1,928.01
Aditya Birla Money Insurance Advisory Services Limited	0.77	0.77
Aditya Birla Minacs Worldwide Limited	22.41	12.21
Birla Sun Life Insurance Company Limited	6.92	79.35
Aditya Birla Money Mart Limited	24.92	12.21
Aditya Birla Financial Shared Services Limited	20.22	13.98
Birla Sun Life Assets Management Company Limited	7.26	13.07
Aditya Birla Money Limited	0.18	4.22
Receivable		
Aditya Birla Nuvo Limited	0.07	-
Aditya Birla Customer Services Private Limited	-	0.06
Aditya Birla Securities Private Limited	1.37	1.02
Preference Share Capital Outstanding		
Madura Garments Lifestyle Retail Company Limited	42,500.00	42,500.00
Aditya Birla Financial Services Private Limited	17,500.00	17,500.00
Redeemable NCDS (Secured)		
Birla Sun Life Insurance Company Limited	1,000.00	-
Interest accrued on NCDs		
Birla Sun Life Insurance Company Limited	29.75	-
Security Deposit Receivable		
Birla Sun Life Insurance Company Limited	88.30	-

Notes:-

- The related party relationships have been as identified by the management on the basis of the requirements of the Accounting Standard AS-18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India and the same have been relied upon by the Auditors.
- The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.
- Figures in brackets represent corresponding amounts of previous year.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

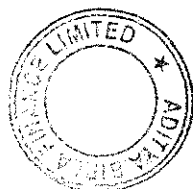
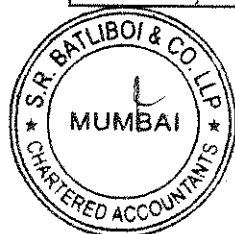
for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

5. Gratuity and Other Post Employment Benefits

The details of the Company's defined benefit plans for its employees are given below:

Amount recognized in the Balance Sheet in respect of gratuity (funded by the Company)		
	As at 31st March, 2014	As at 31st March, 2013
Present Value of Funded defined benefit obligation at the end of the year	295.00	233.11
Fair Value of Plan Assets	254.23	141.77
Net Liability/(Assets)	40.76	91.35
Amount recognized in Salary, Wages and Employee Benefits in the Statement of Profit and Loss Account in respect of gratuity (funded by the Company):		
Current Service Cost	76.52	47.31
Interest on Defined Benefit Obligation	24.28	15.91
Expected Return on Plan Assets	(13.77)	(8.56)
Net Actuarial (Gains) / Loss recognized during the year	(46.27)	36.69
Net Gratuity Cost	40.76	91.35
Actual Return on Plan assets	15.25	15.70
Reconciliation of present value of the obligation and the fair value of the plan assets:		
	As at 31st March, 2014	As at 31st March 2013
Opening Defined Benefit Obligation	233.11	155.27
Current Service Cost	76.52	47.31
Interest Cost	24.28	15.91
Actuarial Losses/(Gain)	(44.79)	43.83
Liabilities assumed on acquisition/ (settled on divesture)	8.33	2.46
Benefit Paid	(2.47)	(31.67)
Closing Defined Benefit Obligation	295.00	233.11
Change in Plan Assets		
Opening Fair Value of the Plan Assets	141.77	96.39
Expected Return on Plan Assets	13.77	8.56
Actuarial Gains/(Losses)	1.48	7.14
Contributions by the Employer	91.35	58.89
Assets acquired on acquisition/ (distributed on divesture)	8.33	2.46
Benefit Paid	(2.47)	(31.67)
Closing Fair Value of the Plan Assets	254.23	141.77
Investment details of Plan assets		
100% of plan assets are invested with Insure Managed Funds	-	-



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

5. Gratuity and Other Post Employment Benefits (Continued)

	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2010
Experience Adjustment					
Defined Benefit Obligation	295.00	233.11	155.27	145.98	87.42
Plan Assets	254.23	141.77	96.39	115.13	88.05
Surplus/(Deficit)	(40.76)	(91.35)	(58.89)	(30.85)	0.62
Experience Adjustment on Plan Liabilities	(0.68)	27.76	15.90	2.52	(2.17)
Experience Adjustment on Plan Assets	1.48	7.14	(5.59)	11.04	0.61
Principal Actuarial Assumptions at the Balance Sheet Date:-					
Discount Rate (p.a.)	8.90%	7.90%	8.40%	8.10%	8.15%
Expected Rate of return on Assets (p.a.)	8.50%	8.50%	8.50%	8.00%	8.00%

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

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Investment in Plan Asset with Birla Sun Life Insurance Company Limited is Rs. 254.23 lakhs (31st March, 2013 Rs. 141.77 lakhs).

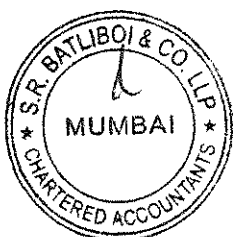
Estimated amount of contribution expected to be paid to the Gratuity Fund during the annual period after the Balance Sheet date is Rs.45.00 lakhs (31st March 2013 Rs.45.00 lakhs).

During the year the following cost has been incurred on account of:

Defined Benefit Plan

Particulars	Current year	Previous year
Contribution to Company owned Provident Fund	78.42	67.00

The Guidance Note on implementation of AS-15, Employee Benefits (Revised 2005), issued by the ICAI states that Provident Fund set up by the employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefits plan. The Ultimate Holding Company's set up Provident Fund does not have existing deficit of interest shortfall. The Company contributes 12% of salary for all eligible employees towards Provident Fund managed either by approved trusts or by the Central Government.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

5. Gratuity and Other Post Employment Benefits (Continued)

Defined Contribution Plans

Amount recognised as an expense and included in Note 17 - "Contribution to Provident and Other Funds:-

Sr. No.	Particulars	Current Year	Previous Year
i)	Contribution to Govt. Employees Provident Fund	111.88	75.94
ii)	Contribution to Govt. Employees Pension Fund	16.06	11.74
iii)	Contribution to Superannuation Fund	4.29	7.09
iv)	Contribution to ESIC	0.07	0.15
v)	Contribution to MLW Fund	0.01	0.01

Other Long Term Incentive Benefits:-

Liability for the scheme is determined based on actuarial valuation. The assumptions used for valuation are:

Particulars	31 March 2014
Discount rate	9.31% per annum
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition rate	10.00 %

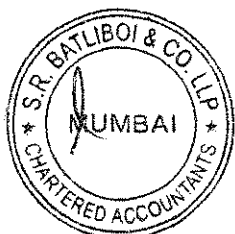
6. Details of Auditors Remuneration

Particulars	Current Year	Previous Year
Audit Fees (including Limited Review Fees)	23.00	22.00
Tax Audit Fees	2.25	2.25
Certification work	4.00	2.00
Out of Pocket Expenses	0.96	1.85

7. Aditya Birla Management Corporation Private Limited (ABMCPL), a Company limited by guarantee, has been formed to provide a common pool of facilities and resources to its members, with a view to optimize the benefits of specialization and minimize cost to each member. The Company's share of expenses under the common pool has been accounted for under the appropriate heads of account.

8. Segment Reporting

The Company is primarily engaged in financing activities. It operates in single business and geographical segment. The Company earned some treasury income, these income have been classified as "Unallocated reconciling item" as per requirements of AS- 17 on Segment Reporting.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

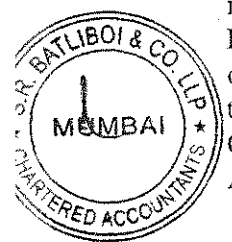
8. Segment Reporting (Continued)

Particulars	Current Year			Previous Year		
	Financing Activities	Trading and Other activities	Total	Financing Activities	Trading and Other activities	Total
Segment Revenue	116,830.05	3,483.32	120,313.37	68,500.03	3,500.82	72,000.85
Segment Results (Profit before tax and after interest on Financing segment)	23,875.25	3,460.00	27,335.25	13,761.01	3,490.82	17,251.83
Less: Interest on unallocated reconciling items	-	2,203.12	2,203.12	-	2,537.10	2,537.10
Net profit before tax	23,875.26	1,256.87	25,132.13	13,761.01	953.72	14,714.73
Less: Income taxes	-	-	8,560.71	-	-	4,684.38
Net profit after tax	-	-	16,571.42	-	-	10,030.35
Other Information						
Segment Assets	1,174,018.56	11,672.48	1,185,691.04	760,912.29	56,902.03	817,814.32
Unallocated Corporate Assets	-	-	4,871.93	-	-	2,460.06
Total Assets	1,174,018.56	11,672.48	1,190,562.97	760,912.29	56,902.03	820,274.38
Segment Liabilities	1,011,525.57	2,114.58	1,013,640.15	664,995.35	47,418.36	712,413.71
Unallocated Corporate Liabilities	-	-	-	-	-	-
Total Liabilities	1,011,525.57	2,114.58	1,013,640.15	664,995.35	47,418.36	712,413.71
Capital expenditure	601.80	-	601.80	788.46	-	788.46
Depreciation	411.53	-	411.53	252.43	-	252.43
Other non-cash expenses	7,761.95	1.00	7,762.95	3,373.18	1.00	3,374.18

9. Expenditure in Foreign Currency:

Particulars	Current Year	Previous Year
Business/Sales Promotion	21.33	Nil

10. The Company has changed its accounting method of interest expense on Non Convertible Debentures from simple interest to Internal Rate of Return basis resulting in reduction of interest expense. The Company has also changed accrual of Long Term Incentive Plan which was computed arithmetically and as per management estimates till previous year to actuarial valuation as prescribed in Accounting Standard- 15 (Revised 2005) – Employee Benefits. The Company has also converted the interest bearing Inter Corporate Borrowings (ICB), which are maintained in the nature of Debt Service Reserve Account to Non Interest bearing Security Deposit with effect from March 01, 2014 and the interest expense on these ICB for the month of March 14, has been reduced from the interest income of the respective loans. The impact of these changes do not have significant impact on the profits of the Company for the year. The Company has reclassified Non-convertible Debenture from Investment to Loans and Advances.



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March, 2014

(Currency: Rupees in Lakhs)

11. As provided for in the clause 16(a) of the Listing Agreement entered into with the Stock Exchange the Company has created security(s) for Rs.145,200 lakhs as on 31st March, 2014. The details of security created on assets are as under:
- Immovable property at Ahmedabad
 - Receivables arising from unsecured loans / receivables on bills, Letter of Credit/ discounting trade advances given by the Company
 - Securities (such as Non Convertible Debentures, Commercial Paper, Stock of Securities etc) held by the Company in the form of investments and advances.
 - Such other assets which the Company may add from time to time.

12. Details of Opening Stock, Purchases, Sales and Closing Stock in respect of trading in Securities are as follows:

Particulars/Year	Opening	Purchase	Sales	Closing
Units of Mutual Funds 2013-2014	Nil	660,065.00	660,344.19	Nil
2012-13	Nil	746,880.00	747,176.39	Nil
Stock of Securities - 2013-2014	57,047.85	252,447.75	298,603.55	11,672.48
2012-2013	16,081.39	335,118.35	296,426.22	56,902.03



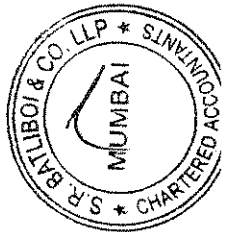
Aditya Birla Finance Limited

Notes to the Financial Statements (Continued) for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

13. Information in respect of restructured assets in accordance with RBI circular no. (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14 on restructuring of advances by NBFC. The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring

Sr. no.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism									
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total				
1	Asset Classification Details Restructured Accounts at April 1, 2013														
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year ended March 31, 2014														
	No. of borrowers	-	1	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	175.00	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	81.50	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the year ended March 31, 2014														
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances at April 1, 2013, which cease to attract higher provisioning and/or additional risk weight at March 31, 2014 and hence need not be shown as restructured standard advances at April 1, 2014														
	No. of borrowers	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	Amount outstanding	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	Provision thereon	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5	Downgradations of restructured accounts during the year ended March 31, 2014														
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the year ended March 31, 2014														
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts at March 31, 2014														
	No. of borrowers	-	1	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	175.00	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	81.50	-	-	-	-	-	-	-	-	-	-	-	-



Aditya Birla Finance Limited

Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

13. Information in respect of restructured assets (Continued)

The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring

Sr. no.	Type of Restructuring	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Asset Classification Details Restructured Accounts at April 1, 2013										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year ended March 31, 2014										
	No. of borrowers	-	-	-	-	-	-	1	-	-	-
	Amount outstanding	-	-	-	-	-	-	175.00	-	-	-
	Provision thereon	-	-	-	-	-	-	81.5	-	-	-
3	Upgradations to restructured standard category during the year ended March 31, 2014										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances at April 1, 2013, which cease to attract higher provisioning and/or additional risk weight at March 31, 2014 and hence need not be shown as restructured standard advances at April 1, 2014										
	No. of borrowers	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	Amount outstanding	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	Provision thereon	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5	Degradations of restructured accounts during the year ended March 31, 2014										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the year ended March 31, 2014										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts at March 31, 2014										
	No. of borrowers	-	-	-	-	-	-	1	-	-	-
	Amount outstanding	-	-	-	-	-	-	175.00	-	-	-
	Provision thereon	-	-	-	-	-	-	81.50	-	-	-



Aditya Birla Finance Limited

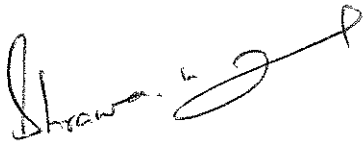
Notes to the Financial Statements (Continued)

for the year ended 31st March 2014

(Currency: Rupees in Lakhs)

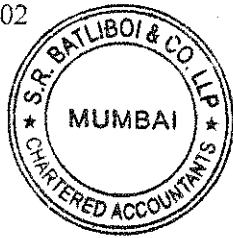
14. Previous year/period's figures have been regrouped/ rearranged, wherever considered necessary, to conform with Current year/ period's presentation.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E



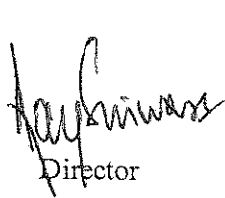
per Shrawan Jalan
Partner

Membership No: 102102



Place: Mumbai
28 April 2014

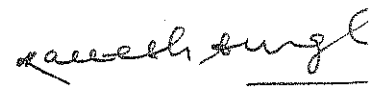
For and on behalf of the Board of Directors of
Aditya Birla Finance Limited




Director



Director



Chief Executive officer



Chief Financial Officer
Place: Mumbai
28 April 2014



Manager

