



23rd

**ANNUAL REPORT
2015-2016**

aibi
raising the credibility standard

ASSOCIATION OF INVESTMENT BANKERS OF INDIA

PRIMARY CAPITAL MARKET- EMERGING SCENARIO

aibi SUMMIT 2015

TUESDAY, DECEMBER 15, 2015
ITC GRAND CENTRAL, PAREL, MUMBAI.

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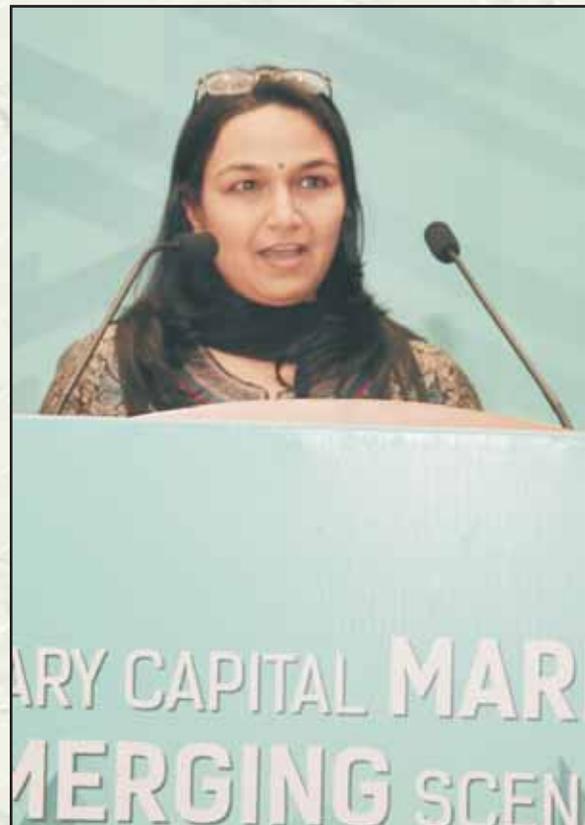
NSE 140 **BSE**



PRIME GROUP



CNBC TV18



Mr. B. Madhuprasad, and Ms. Gesu Kaushal addressing the delegates at AIBI Summit 2015



Mr. U.K. Sinha, Chairman, SEBI delivering the keynote address at AIBI Summit 2015



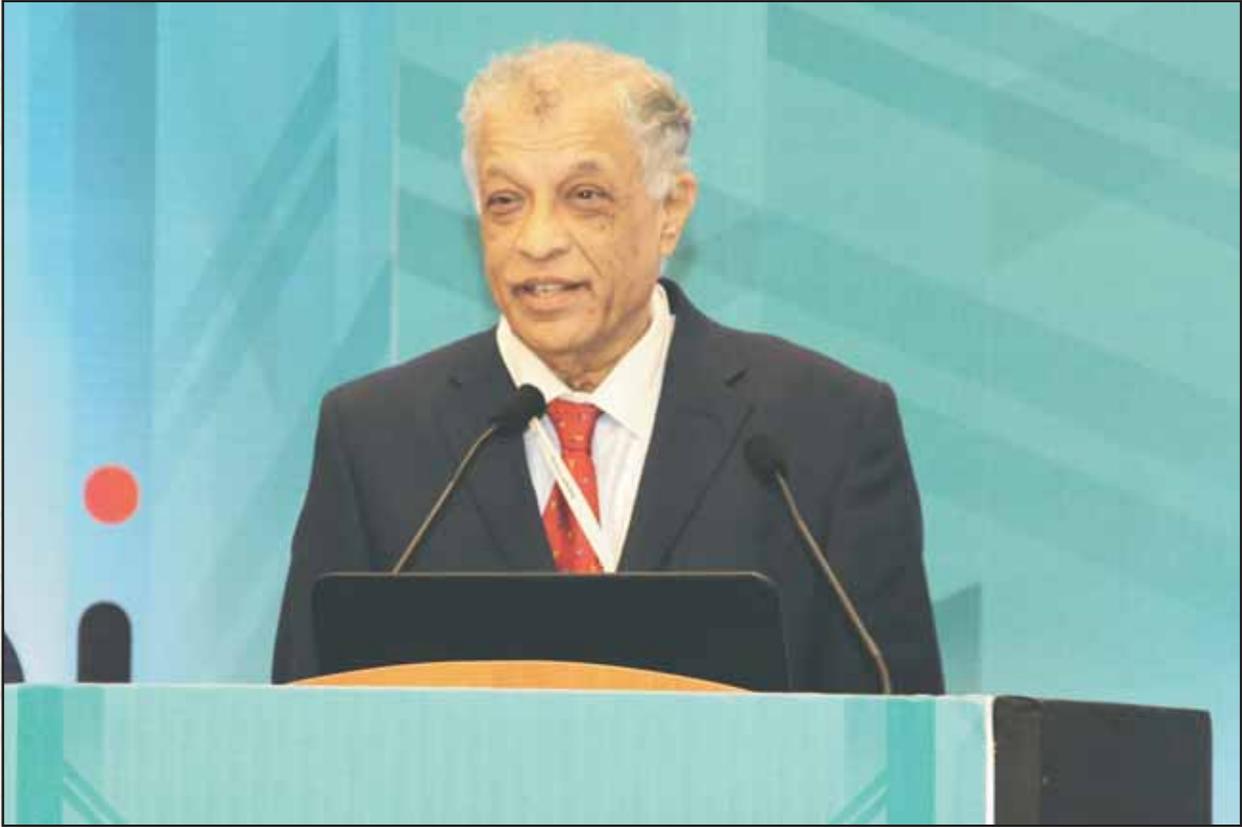
Mr. Ashish Chauhan, MD & CEO, BSE Ltd. Speaking at AIBI Summit 2015



Mr. P. K. Bindlish, CGM, SEBI delivering the opening address
in the Technical Session - 3 at our Summit



Mr. Jayanta Jash, CGM, SEBI speaking in the Technical Session - 3 at the Summit



Mr. Bhupen Dalal, Chairman Emeritus, Western Printers, making a Presentation on behalf of Merrill Datasite, Platinum Sponsor of our Summit 2015



Mr. Vickesh Mistry, S&P Capital IQ (Platinum Sponsors) making his Presentation at our Summit 2015



Mr. Ramesh Damani (MD, Ramesh S. Damani Finance Pvt. Ltd.) making a Presentation at AIBI Summit 2015



Inaugural Session in progress (From L to R) Mr. Prashant Jain, Mr. S. Ramesh, Mr. Sai Venkateswaran, Mr. Abhay Havaldar, Mr. Ashish Chauhan and Mr. Prithvi Haldea

Board of Directors

Mr. B. Madhuprasad	Chairman
Ms. Gesu Kaushal	Vice Chairperson
Mr. K. Srinivas	Vice Chairman
Mr. Sanjay Sharma	Director
Mr. Anay Khare	Director
Mr. Rajendra Naik	Director
Mr. G. S. Ganesh	Director
Mr. Mahavir Lunawat	Director
Mr. Arjun Mehra (since September 2015)	Director
Mr. G.B. Panda (resigned in November 2015)	Director

Honorary Advisor

Mr. Prithvi Haldea

Chief Executive Officer

Mr. V.S. Narayanan

Auditors

M/S. Chandabhoy & Jassoobhoy
Chartered Accountants
208, "A" Wing, 2nd Floor
Phoenix House
462, Senapati Bapat Marg
Mumbai – 400 013.

Banker

Axis Bank Ltd.

Registered Office

A/302, Kanakia Zillion,
LBS Marg, Kurla (W)
Mumbai – 400 070.

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NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Association of Investment Bankers of India will be held on **Tuesday, 30th August 2016 at 3.00 pm at Hotel West End, 45, New Marine Lines, Mumbai – 400 020** to transact the following business.

1. To consider, approve and adopt the Directors' Report, the Audited Income & Expenditure Account for the year ended 31st March 2016, the Audited Balance Sheet as at that date and the Auditor's report thereon.
2. To elect a Director in place of Mr. Rajendra Naik, who retires by rotation and being eligible, has given his consent for re-appointment.
3. To elect a Director in place of Mr. G.S. Ganesh, who retires by rotation and being eligible, has given his consent for re-appointment.
4. To elect a Director in place of Mr. G. B. Panda, who resigned from the Board of AIBI on demitting office as MD of BOB Capital Markets Ltd. on his transfer to Bank of Baroda. BOB Capital Markets Ltd. have not deputed any representative to join the Board in place of Mr. G.B. Panda. Hence this position is proposed to be filled by electing a new Director.
5. To ratify the appointment of Chandabhoy and Jassobhoy as Statutory Auditors who will hold office until the conclusion of the Twenty Seventh Annual General Meeting and to authorize the Board to fix their remuneration.

By the order of the Board

Place : Mumbai

Date : 28th July, 2016

B.MADHUPRASAD

Registered Office: A-302, Kanakia Zillion, LBS Marg, Kurla (W), Mumbai – 400 070.

Chairman

NOTES:

- A) As per Article 45 of the Articles of Association of the Association of Investment Bankers of India (AIBI) the total number of Directors on the Board of Directors shall not be more than fifteen. Out of which ten will be elected by members, two will be elected by Associates and three will be nominee Directors (not subject to retirement by rotation) of the Securities & Exchange Board of India (SEBI). Accordingly, the Board of Directors was constituted. The authorized representatives of Members are entitled to be appointed on the Board of Directors, if elected. At the AGM the ballot papers with necessary instructions will be handed over to the Members for electing the Directors.

As Investment Bankers belonging to Categories II, III and IV are no longer registered with SEBI, There will be no Director from the category of Associates. SEBI has decided not to nominate any Director on the Board. The reservation for public sector Directors and Non-public sector Directors does not exist anymore.

- B) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself provided that the proxy is a Member or an officer of any other Member and registered with AIBI as per provisions of Article 15 of the Articles of Association.

The Nomination Form and the Proxy Form should be deposited at the Registered Office of the Association of Investment Bankers of India, on or before 4 p.m. on Friday August 26, 2016.

The last date for withdrawal of Nomination is 4 p.m. on Monday, August 29, 2016.

DIRECTORS' REPORT

DIRECTORS' REPORT TO THE MEMBERS OF ASSOCIATION OF INVESTMENT BANKERS OF INDIA (AIBI)

Your Directors have great pleasure in presenting the Twenty Third Annual Report of the Association of Investment Bankers of India together with the Income and Expenditure Account for the year ended 31st March 2016 and the Balance Sheet as at that date.

FINANCIAL RESULTS

Particulars	Year ended <u>31-3-2016</u>	(₹. '000s) Year ended <u>31-3-2015</u>
Membership Fees (Annual Subscription)	2,675	2,763
Summit Income	2,637	1,613
Other Income	3,765	4,056
Total Income	<u>9,077</u>	<u>8,432</u>
Employees' Benefits Expenses	4,210	3,835
Other Expenses	2,036	2,374
Summit Expenses	1,192	761
Depreciation and Amortization Expense	3,069	2,371
Finance Cost	0	14
Total Expenses	<u>10,507</u>	<u>9,355</u>
Excess of Income over Expenditure before Tax	(1,430)	(923)
Less: Tax Expense		
(1) Current Tax	0	0
(2) Deferred Tax	(1,124)	(433)
Excess of Income over Expenditure after tax	<u>(306)</u>	<u>(490)</u>
Excess of Income over Expenditure carried to Balance Sheet	<u>(306)</u>	<u>(490)</u>

CHAIRMAN, VICE CHAIRMAN AND VICE CHAIRPERSON

At the Board Meeting held on the 14th October 2015, Mr. B. Madhuprasad, Chairman, Keynote Corporate Services Ltd. was elected as the Chairman of the Association and Mr. K. Srinivas, Managing Director, Saffron Capital Advisors (P) Ltd. and Ms. Gesu Kaushal, Executive Director, Kotak Mahindra Capital Company Ltd. were jointly elected as Vice Chairpersons of the Association. Chairman and Vice Chairpersons will hold office till the conclusion of the ensuing Annual General Meeting.

DIRECTORS

To elect Directors Retiring by Rotation

1. Mr. Rajendra Naik and Mr. G.S. Ganesh, Directors of our Board are due to retire by rotation at the end of the ensuing 23rd Annual General Meeting and being eligible for re-appointment, have offered themselves for re-appointment.
2. Mr G.B. Panda, another Director of our Board, who would have otherwise retired by rotation, resigned from the Board of AIBI in November 2015, on demitting office as the Managing Director & CEO, BOB Capital Markets Ltd. on his transfer to Bank of Baroda. BOB Capital Markets Ltd. have not deputed any representative to join the Board in place of Mr. G.B. Panda. Hence this position is proposed to be filled by electing a new Director.

HONORARY ADVISOR

Mr. Prithvi Haldea, Founder-Chairman of PRIME Database, continued as the Honorary Advisor to AIBI. The Board would like to express its special appreciation for his continued support and guidance in our deliberations, in our representations to SEBI and in successfully conducting our Summit 2015 also.

MEMBERSHIP

Between the last AGM (September 29, 2015) and till July 28, 2016 (the date of this Report), two new Investment Banking entities viz. **JEFFERIES INDIA PRIVATE LIMITED and IIFL HOLDINGS LTD.** were admitted as Members. We warmly welcome the new Members and look forward to their contribution in making our Association a stronger Industry body.

The total number of Members as on July 28, 2016, the date of this report is 55.

SEBI REGULATIONS

The following new Regulations/ Guidelines were issued by SEBI by way of Amendments/Circulars: between 1st September 2015 (the date of the last Directors' Report) and July 28, 2016 (date of this report).

Sr. #	Date of Regulation / Circular	Regulation / Circular	Gist of Regulations/Circular
SEBI (ICDR) Regulations, 2009			
1	Sept. 10, 2015	SEBI (ICDR) (Sixth Amendment) Regulations, 2015	Schedule XI, Part (10)(b)(iii) - existing Regulation substituted. Allocation of more than Rs. 250 crores to Anchor Investors - number of Anchor Investors modified and increased slab wise (upto 250 crores maximum of 15 investors and addition of 10 investors for every Rs. 250 crores and part thereof). Minimum Number of Anchor Investors retained at 5.
2	Oct. 27, 2015	SEBI (ICDR) (Seventh Amendment) Regulations, 2015	Schedule VIII, Part D substituted by new provision (regarding disclosure in Abridged Prospectus).
3	Jan. 21, 2016	SEBI (ICDR) (Amendment) Regulations, 2016	New item Number 9 inserted and existing item numbers 9 & 10 renumbered as 10 & 11.
4	Feb. 17, 2016	SEBI (ICDR) (Second Amendment) Regulations, 2016	New Chapter VI – A inserted- “Conditions and Manner of Providing Exit Opportunity to Dissenting Shareholders”.
5	May 25, 2016	SEBI (ICDR) (Third Amendment) Regulations, 2016	Regulation 4(4), 73(1)(4) - Schedule 7 Part G - new Regulation regarding “wilful defaulter” inserted.
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015			
6	Sept. 2, 2015	SEBI (LODR) Regulations, 2015	New Regulations Notified on "obligations for listed Companies".
7	Dec. 22, 2015	SEBI (LODR) (Amendment) Regulations, 2015	Clause 34(2)(f) modified – submission of "Business Responsibility Report" made applicable to companies with market cap of Rs. 500 crores and more.

8	May 25, 2016	SEBI (LODR) (Amendment) Regulations, 2015.	Changes in respect of financial results and statement in respect of “Impact of Audit Qualifications” – Regulation 33(d), 33(4), 33(6), 34(2), Regulation 52(3)(a), 52(3)(b), 52(3)(c) & 52(3)(d), Regulation – 53(a), Regulation 95, Schedule IV Part A(B).
9	July 08, 2016	SEBI (LODR) (Second Amendment) Regulations, 2016.	Regulation 43(A) regarding “Dividend Distribution Policy” – inserted.
SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011			
10	December 22, 2015	SEBI (SAST) (Fourth Amendment) Regulations, 2016.	New Regulation 10(1) (j) inserted regarding increase in voting rights due to forfeiture.
11	February 17, 2016	SEBI (SAST) (Amendment) Regulations, 2016.	New Regulation 3(4) inserted.
12	May 25, 2016	SEBI (SAST) (Second Amendment) Regulations, 2016.	1) New Regulation 2(ze) regarding willful defaulter inserted. 2) Existing Regulation 2(ze) renumbered as (zf) 3) New Regulation 7 inserted.
SEBI (Delisting of Equity Shares) Regulations, 2009			
13	Jan. 12, 2016	SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2016.	1) Regulation 27(1)(b) substituted by new Regulation 27(1)(b). 2) Regulation 27(3)(b) substituted by new Regulation.
14	August 24, 2015	Guidance Note on SEBI (Prohibition of Insider Trading) Regulations, 2015.	Guidance regarding the following issued : 1) ESOP 2) Contra Trade 3) Pledge 4) Miscellaneous

SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2016			
15	May 25, 2016	SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) (Amendment) Regulations, 2016.	1) New Clause 2(1)(t) inserted regarding "willful defaulters". 2) Regulation 4(1) substituted with new 4(1). 3) Paragraph IV inserted in Schedule I.
SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016			
16	May 25, 2016	SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016.	1) New Regulation 2(1) (m) inserted regarding "willful defaulter". 2) Regulation 4(1) substituted by new Regulation 4(1). 3) New sub para 'C' inserted in Schedule I Para III.
OFFER FOR SALE (OFS) of Shares through Stock Exchange Mechanism			
No Amendment during the period under review			
SEBI (Buyback of Securities) Regulations, 1998			
No Amendment during the period under review			
SEBI (Alternative Investment Funds) Regulations, 2012			
No Amendment during the period under review			
SEBI (Infrastructure Investment Trusts) Regulations, 2014			
No Amendment during the period under review			
SEBI (REITs) Regulations, 2014			
No Amendment during the period under review			

MEETINGS WITH SEBI

The Board continued its interactions with SEBI on a regular basis, on invitation from SEBI. It also regularly submitted its recommendations, especially relating to the Primary Capital Market. There were various meetings with SEBI officials during the period April 1, 2015 and July 28, 2016 (the date of this Report) which are summarized herein below:

Date of the Meeting	Meeting with	Gist of Discussions
June 9, 2015	SME Working Group of SME & ITP	<p>The meeting was chaired by Mr. S. V. Murali Dhar Rao, ED, SEBI and attended by the members invited by SEBI for the meeting.</p> <p>The meeting was called by SEBI to solicit suggestions on policy measures relating to the SME & ITP Capital Markets.</p> <p>AIBI submitted its views / suggested policy changes, prepared by its SME & Start-up Sub-Committee, for further development of SME & ITP capital market platforms.</p>
August 3, 2015	Chairman (Mr. U.K. Sinha), ED (Mr. P.K. Nagpal) and CGM (CFD) (Mr. Jayanta Jash)	<p>The meeting was called by SEBI to solicit suggestions on policy measures relating to the Primary Capital Market and Takeovers.</p> <p>Post this meeting, views from members were collated and consolidated suggestions were sent to SEBI vide our letter dated August 14, 2015.</p>
September 3, 2015	ED (Mr. P.K. Nagpal)	The meeting was held with select Investment Bankers to discuss the process for operationalising the ITP product.
November 30, 2015	ED (Mr. S. V. Murali Dhar Rao), CGM (Mr. P.K. Bindlish) and CGM (Mr. Manoj Kumar)	AIBI SME & Start-up Committee, met SEBI to discuss matters relating to SME and ITP capital market platforms.

Date of the	Meeting with	Gist of Discussions
March 9, 2016	Chairman (Mr. U.K. Sinha), ED (Mr. P.K. Nagpal) and CGM (CFD) (Mr. Jayanta Jash)	The meeting was called by SEBI to solicit suggestions on policy measures relating to the Primary Capital Market. Post this meeting, views from members were collated and consolidated suggestions were sent to SEBI vide our letter dated April 20, 2016.
May 31, 2016	Primary Market Advisory Committee (PMAC)	The Committee reviewed the regulations for ITP, prescribed under SEBI (ICDR) Regulations, 2009, in light of the suggestions made by various industry bodies. It was decided that the Committee will submit to SEBI draft amended regulations, based on the suggestions, discussed in the meeting.

AIBI SUMMIT 2015 – PRIMARY CAPITAL MARKET-EMERGING SCENARIO

AIBI Summit 2015 was held on December 15, 2015 at ITC Grand Central, Parel, Mumbai. This Summit was a huge success with a good number of delegates participating in the event and a number of Sponsors. We had three Platinum Sponsors - Khaitan & Co., Merrill Datasite and S&P Capital IQ and the two Premier Exchanges BSE and NSE continued to lend their support as Gold Sponsors.

We also had CNBC TV18 as a Media Partner for the event.

Concept Advertising helped us in preparing the Brochures and other collaterals and also acted as the Event Manager, while Western Printers was the Printer for the Summit.

The theme of the Summit was “**Primary Capital Market-Emerging Scenario**”

After the formal introduction by Mr. Shishir Joshi, Master of Ceremony and the welcome address by Mr. B. Madhuprasad, (Chairman, AIBI and Chairman, Keynote Corporate Services), the Summit commenced with the special address by **Mr. Ramesh Damani**, Managing Director, Ramesh S. Damani Finance Pvt. Ltd. The topic for the Special Session was “**Political and Economic Agenda - Conflict or Convergence?**” This session ended with an interactive Session with the audience.

After this session we had the Inaugural Session titled “**Primary Capital Market- Emerging Scenario/New Platforms**”. The Panel Discussion was moderated by Mr. Prithvi Haldea, (Advisor to AIBI and Founder - Chairman, PRIME Database). The panelists for this session were Mr. Ashish Chauhan (MD & CEO, BSE), Mr. Abhay Havaldar (Advisory Director, General Atlantic) Mr. Prashant Jain (ED & CIO, HDFC MF), Mr. S.Ramesh (MD & CEO, Kotak Capital) and Mr. Sai Venkateswaran (Partner & Head –Accounting Advisory Services, KPMG, India).

After the Inaugural Session, the Chief Guest of the Summit Mr. U.K. Sinha (Chairman, SEBI) delivered the keynote address.

After the keynote address of Mr. U.K.Sinha, we had Technical Session 1 on “**Analyzing ITP Framework for Listings**”. This session was moderated by Mr. Anup Bagchi (MD & CEO, ICICI Securities). The panelists for this session were Mr. Sudhir Bassi (ED, Khaitan & Co.), Ms. Ishita Vohra, (Head - Listing (Equity & Debt), NSE), Mr. H.V. Harish (Partner, Grant Thornton), Mr. Gopal Jain (Co-Founder & Managing Partner, Gaja Capital), Mr. Siddhartha Pahwa (Group CEO, Meru Cab), and Mr. Arvind Vashistha (Director, Head-Equity Capital Markets, Citigroup Global).

This Session was followed by Technical Session 2, titled “**Drivers of IPO Pricing**”. The session was moderated by Mr. Atul Mehra (MD & Co-CEO, JM Financials). The panelists for this session were Mr. Srinivas Chidambaram (MD & CEO, Jacob Ballas Capital), Mr. Abhijit Gulanikar (Chief Officer (Investments & Business Strategy, SBI Life Insurance), Mr. Jayanta Jash (CGM, SEBI), Mr. Vikas Khemani (President & CEO, Edelweiss Securities), Mr. Shrikant Mate (Vice President, S.H. Kelkar & Co.) and Mr. Navneet Munot (ED & CIO, SBI Mutual Funds).

This was followed by a presentation by Mr. Bhupen Dalal (Chairman Emeritus, Western Press Pvt. Ltd.) on behalf of our Platinum Sponsor, Merrill Datasite).

The post-lunch session, Technical Session 3 was titled “**SME Capital Markets - Journey So Far and Way Forward**” and started with the opening address by Mr. P.K. Bindlish (CGM, SEBI) followed by the panel discussion, moderated by Mr. Mahavir Lunawat (Director, AIBI and MD, Pantomath Advisory). The panelists for this session were Mr. B. Madhuprasad, (Chairman, AIBI and Chairman, Keynote Corporate Services Ltd.), Mr. D.R. Dogra (MD & CEO, Care Ratings), Mr. Nehal Vora (Chief Regulatory Officer, BSE), Mr. Ajay Thakur (Head-SME Listing, BSE) and Mr. Harshad Thakkar (Chairman, Ashapura Intimate Fashion).

This was followed by a Presentation by Mr. Vickesh Mistry, Senior Application Specialist, S&P Capital IQ, our Platinum Sponsor.

The concluding session of the Summit titled “**Voices: What will influence the health of our economy?**” was moderated by Ms. Menaka Doshi, Executive Editor, CNBC TV18. The panelists were Mr. Vishwavir Ahuja, (MD & CEO, RBL Bank), Ms. Pranjul Bhandari (Chief India Economist, HSBC Securities), Mr. Amit Chandra (MD, Bain Capital Advisors), Mr. Ridham Desai (MD, Morgan Stanley), Mr. Pavan Kaushal (Chief Risk Officer, IDFC Bank), Mr. Nilesh Shah (MD, Kotak MF) and Mr. Srinivas Varadarajan (Head FIC, Deutsche Bank).

The Summit ended with the “Vote of Thanks” by Ms. Gesu Kaushal, Vice Chairperson of AIBI and ED, Kotak Mahindra Capital Company Limited.

FORUM ON SME LISTING – NSE, AIBI AND FORTI

AIBI organized a Forum on SME Listing alongwith National Stock Exchange Ltd. (NSE) and Federation of Rajasthan Trade & Industries (FORTI) on March 5, 2016 at Jaipur. NSE and SIDBI were principal sponsors for this event.

Mr. Vinod Ajmera, IAS, Commissioner, Government of Rajasthan, Mr Ravi Varanasi, Chief of Business Development, NSE, Mrs. Rana Usman, Head North Region, NSE, Alka Batra, State Chairperson, FICCI FLO, Shri Nitin Gupta, State Director, CII, Shri Rituraj Tiwari, Regional Director, PHD Chamber, Shri Atul, State Director, FICCI, C.S (Dr.), Shyam Agarwal, Vice President, ICSI, Mr. Pramod Kumar Vijayvargiya, DGM, SIDBI and Mr. Mahavir Lunawat, (Director AIBI and MD Pantomath Group), were the eminent speakers, who enlightened SME entrepreneurs on various important aspects of Union Budget, and about SME listing including the benefits it provides to SME businesses.

The program was widely carried by the media. AIBI received appreciation letter from FORTI for its well coordinated efforts.

OTHER IMPORTANT EVENTS

FIU- IND REPORT

The Prevention of Money Laundering Act, 2002 (PMLA) effective from July 1, 2005, is applicable inter alia to all the financial intermediaries (FI).

Financial Intelligence Unit – India (FIU-IND) was setup by the Government of India as the central national agency responsible for receiving, processing, analyzing and disseminating information relating to suspect financial transactions. FIU-IND is also responsible for coordinating and strengthening the efforts of national and international intelligence, investigation and enforcement agencies in pursuing the global efforts against money laundering and related crimes. FIU-IND is an independent body reporting directly to the Economic Intelligence Council (EIC) headed by the Finance Minister.

At the request of Mr. P.K. Tiwari, Director of FIU-IND, a meeting of all our members was arranged on August 26, 2015 in NSE Auditorium. The legal firms were also invited for the meet. The meeting was attended by around 35 to 40 representatives from some of our member organisations.

At the meeting, Mr. P.K. Tiwari and Ms. Deepika Mittal, Director and Additional Director respectively of FIU-IND apprised the participants about PMLA. At the meeting, the Director informed that it is proposed to set up a Working Group with representatives from the Investment Bankers and FIU-IND to develop a “Guidance Note on the Effective Process for STRs Detection and Reporting” for the Merchant Banking Sector. He requested the members, present at the meeting, to volunteer to become members of the Working Group. Many representatives from our member organisations volunteered to become a member of the Working Group.

Post this meeting, an Office Memorandum was issued on September 9, 2015 by the Additional Director, FIU-IND regarding the constitution of the Working Group with the following members:

Sr. #	Name of Organisation	Name of Representative
1	Citigroup Global Markets India Pvt. Ltd.	Mr. Tarandeep Kukreja
2	ICICI Securities	Mr. Atul Prakash Agrawal
3	HDFC Bank	Mr. Rishi Tiwari
4.	SBI Capital Markets	Ms. Rashmi Jain
5.	Edelweiss Financial Services Ltd.	Mr. Sachin Khandelwal
6	Ernst & Young Merchant Banking Services Pvt. Ltd.	Mr. Gigy Mathew
7	Pantomath Advisory Services Group	Mr. Mahavir Lunawat
8	Saffron Capital Advisors Pvt. Ltd.	Mr. K. Srinivas
9.	HSBC Securities and Capital markets (India) Pvt. Ltd.	Mr. Mudit Tayal
10.	Deutsche Equities India Pvt. Ltd.	Mr. Amol Apte
11.	AIBI	Mr. V.S. Narayanan

Our CEO, Mr V.S. Narayanan was made the member-secretary to coordinate with all the members of the Association and also with the Working Group for preparation of the Report.

The terms of reference for the Working Group were as under:

- a) Risk assessment of the Merchant Banking sector from the perspective of money laundering and financing of terrorism.
- b) Recommending a list of standard alert indicators / scenarios for detection of suspicious transactions.
- c) Provide guidance for an effective red flag management and preparation of Suspicious Transactions Reports (STRs).

The first meeting of the Working Group was chaired by Ms. Deepika Mittal, Additional Director of FIU-IND and the next meeting was chaired by Mr. P.K. Tiwari, Director, FIU-IND. Thereafter the Working Group met five times before a draft Report was ready for circulation to all members of the Board. Mr. Abhishek Sureka E & Y, Mr. Bhaskar Chakraborty, SBI Capital, also attended all the meetings and were actively involved in all the discussions and in the preparation of the report. The draft was discussed at the Board Meeting and the suggestions given by the Board Members were discussed at the meeting of the Working Group and the final Report was submitted to FIU-IND in February 2016.

AIBI SME and Start-up Sub-Committee

AIBI constituted a dedicated committee for alternate capital market platform, AIBI SME & Start-up Sub-Committee with the following members :

1. Mr. Mahavir Lunawat (Director, AIBI & Chairman, Pantomath Group)
2. Mr. B. Madhuprasad (Chairman, AIBI & Chairman, Keynote Corporate Services Ltd.)
3. Mr. D.C. Jain (Director, AIBI & CEO & MD, IDBI Capital Markets Ltd.)
4. Mr. V.S. Narayanan (CEO, AIBI)

Mr. Mahavir Lunawat was unanimously elected as the Chairman of this sub-Committee.

Subsequently Mr. K. Srinivas (Director, AIBI & MD Saffron Advisors Pvt. Ltd.) was inducted on the Committee in place of Mr. D.C. Jain who resigned as Director, AIBI post his retirement from IDBI Capital.

The Committee adopted the following Charter :

A. SEBI / Exchange Norms

1. To discuss and recommend improvements in initial listing norms for SME IPO & listing.
2. To discuss and recommend norms for migration from SME Platform to Main Board and vice versa.
3. To discuss and recommend norms for market making and continuous listing norms.

B. SME Market Development Initiatives

4. To discuss and implement market development initiatives.
5. To explore ways and means to reach out to SME entrepreneurs and make them aware of SME capital market opportunities.

C. SME Market Eco-system

6. To identify constituents of SME market eco-system and establish synergies with them at Association level.
7. To hold periodic meetings with various market intermediaries and broad-base their involvement in SME capital markets.

D. General

8. To hold discussion with Government Departments, Institutions, Industry Chambers and Associations, as may be required.
9. To meet on periodic basis and review the progress and the way forward.

The Committee held meetings with SEBI, NSE and BSE apprised them of its charter and sought suggestions from the regulator and exchanges.

The Committee has undertaken preparatory steps for working as per its Charter and has started taking action in this direction. Forum on SME IPOs was organised in Jaipur alongwith NSE and FORTI, details of which has been captured elsewhere in this Report.

TRAINING SESSIONS: - (AIBI SEMINAR SERIES)

Between September 1, 2015 (the date of last Directors' Report) and July 28, 2016, (the date of this Report) we conducted 5 Training sessions /AIBI Seminar Series. On an average, around 40 representatives from around 20 member Organisations attended the sessions.

Details of the Events organised by AIBI for its members were as follows:

Sr. No.	Date	Topic
1	July 8, 2016	1) "Financial Disclosure Requirements in Offer Documents and "IND AS" - Presentation by Mr. Sunder V. Iyer, Partner and Mr. Anup Kumar Sharma, Director, Deloitte Haskins & Sells LLP. 2) "Directions of the Indian Economy with factors that will influence it" - Talk by Ms. Pranjul Bhandari, Chief India Economist, HSBC Securities and Capital Markets (India) Pvt. Ltd.
2	May 20, 2016	"Insider Trading Regulations and its impact on M&A and Information Sharing"? Presentation by Mr. Sudhir Bassi, ED Khaitan & Co. and his team.
3 (a) 3 (b)	March 16, 2016 and February 24, 2016	SEBI (LODR) Regulation 2015 Presentation by Mr. Sudhir Bassi, ED, Khaitan & Co. and his team.
4	Sept. 29, 2015	"Forensic Audit" – Presentation by Mr. K.V. Karthik, Senior Director and Mr. Samir Paranjpe, Director, Deloitte, Haskins & Sells LLP.

PARTICIPATION OF AIBI IN THE EVENTS ORGANISED BY OTHER ASSOCIATIONS:

Between September 1, 2015 (the date of last Directors' Report) and till July 28, 2016 (date of this Report) our Association participated / agreed to participate in 9 events organised by other Associations/ Firms. All the partnerships were done without any financial obligations from AIBI.

Details of the events are as follows:

Sr.No.	Name of the Company	Topic	Event Venue & date
1	Association of International Wealth Management of India (AIWMI)	Family Office Summit India 2016	Mumbai (Sep 1) and Delhi (Sep 2) 2016.
2	Indian Institute of Corporate Affairs(IICA)	Tailor made Programme on " Competition Law Issues in the BFSI Sectors "	Gurgaon - 11 th & 12 th August 2016.
3	NEWS CORP VC CIRCLE	Simplifying Fund Raising for Startups.	Bengaluru - 5 th August, 2016.
4	NEWS CORP VC CIRCLE	Simplifying Fund Raising for Startups.	Delhi (Le Meridien) - 29 th July, 2016.
5	NEWS CORP VC CIRCLE	Simplifying Fund Raising for Startups.	Mumbai (Taj Lands End), 29 th July, 2016.

Sr.No.	Name of the Company	Topic	Event Venue & date
6	NEWS CORP VC CIRCLE	“India FinServ 2016 - The role of capital and technology in taking financial services to a billion people”	Mumbai, July 28, 2016- Taj Lands End.
7	NEWS CORP VC CIRCLE	“Drafting Investment Agreement for PE/VC and M&A Deals.”	Mumbai, June 17, 2016.
8	IVCA (The Indian Private Equity & Venture Capital Association)	IVCA Annual Conclave-4th Annual Conclave.	3rd and 4th March, 2016 - New Delhi.
9	Nishith Desai Associates	Lessons from 2014 for Deal Making in 2015.”	Mumbai Tuesday, January 27, 2015.
10	Nishith Desai Associates	“M&A and PE in India: Legal & Tax Insights, Emerging Structures & Strategies”	Singapore, Thursday, 30th July 2015
11	NEWS CORP VC CIRCLE	“Corporate Finance and Business Valuation with Aswath Damodaran.”	Mumbai, 10-11 Aug, 2015.
12	Nishith Desai Associates	Dos and Don'ts for M&As in Indian Pharma & Healthcare Sector	Mumbai, Tuesday, September 15, 2015

MARKET SCENARIO - PRIMARY CAPITAL MARKET (Source : PRIME DATABASE)

I. EQUITY OFFERINGS ON MAIN BOARD OF EXCHANGE:

During FY 2015-16, the total amount raised was lower at Rs. 62,246 crore (from 79 issues) as compared to Rs. 74,859 crore (from 126 issues) during the previous Financial Year.:

Type of Offerings	FY 2015-16		FY 2014-15	
	# of Issues	Amount raised (Rs. Cr)	# of Issues	Amount raised (Rs. Cr)
Initial Public Offering	24	14,500	8	2,770
Follow-on Public Offering	-	-	-	-
Qualified Institutional Placement	20	14,358	44	28,429
Rights Issue	12	9,239	13	5,718
Institutional Placement Program	-	-	1	418
Offer for Sale (Stock Exchange)	18	19,822	28	26,935
Block Deals	5	4,327	32	10,589
TOTAL	79	62,246	126	74,859

II. EQUITY OFFERINGS ON SME PLATFORM:

During FY 2015-16, the total amount raised was higher at Rs.310.60 crore (from 50 issues) as compared to Rs. 282.31 crore (from 41 issues) during the previous Financial Year, as described below in detail:

Type of Offerings	FY 2015-16		FY 2014-15	
	# of Issues	Amount raised (Rs. Cr)	# of Issues	Amount raised (Rs. Cr)
Initial Public Offering	50	310.60	38	249.74
Rights Issue	-	-	3	32.57
TOTAL	50	310.60	41	282.31

Summary of Offerings - Debt Capital Market

During the year, the total amount raised through debt offerings was higher at Rs. 5,30,859 crore (from 2,703 issues) as compared to Rs. 4,75,427 crore (from 2,246 issues) during the previous Financial Year.

Amount of funds raised from capital markets during the year:

Particulars	2015-2016		2014-15	
	No. of Issues	Amount (Rs. Crores)	No. of Issues	Amount (Rs. Crores)
DEBT				
i) Public Issues				
- Bonds/NCDs	25	9,713	9	2,714
- Tax-free Bonds	0	0	11	31,098
Total (i)	25	9,713	20	33,812
ii) Private Placement of Debt				
- Bonds/NCDs	2,221	4,65,713	2,668	4,79,645
- Tax-free Bonds	0	0	14	12,402
Total (ii)	2,221	4,65,713	2,682	4,92,047
iii) QIPs (iii)	0	0	1	5,000
Total (i + ii + iii)	2,246	4,75,426	2,703	5,30,859

Source: PRIME Database

BOARD MEETINGS

The Board of Directors met nine times during the financial year 2015 - 2016. The details of the attendance of the Directors are given below.

Name of Director	MEETINGS		
	April 2015 to Sept.30, 2015	Oct. 2015 to March 2016	Total Meetings Attended
Mr. B. Madhuprasad	4	5	9
Mr. K. Srinivas	3	4	7
Ms. Gesu Kaushal	2	5	7
Mr. Sanjay Sharma	3	4	7
Mr. Anay Khare	3	3	6
Mr. Rajendra Naik	3	2	5
Mr. Mahavir Lunawat	1	3	4
Mr. G.S.Ganesh	2	-	2
Mr. Arjun Mehra (since 29/9/2015)	-	4	4
Mr. G.B. Panda (resigned from the Board on 26/11/2015)	1	-	1

AUDIT COMMITTEE

Given the nature of the Association’s functions, an Audit Committee is not considered necessary.

REMUNERATION TO DIRECTORS

No remuneration was paid to any Director.

STATUTORY STATEMENT

No employee was covered under Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

As per the Section 139(1) of the Companies Act 2013, M/s. Chandabhoy and Jassoobhoy, Chartered Accountant, was appointed as the Statutory Auditor of your Company for a period of five (5) years and will hold the office till the conclusion of the Twenty Seventh (27th) Annual General Meeting which will be held in the FY 2020-21.

However, as per Section 139(1) of the Companies Act, 2013, the appointment has to be ratified in every Annual General Meeting following such appointment.

In compliance with the provisions of the Companies Act, 2013 it is recommended that the appointment of M/s Chandabhoy and Jassoobhoy as Statutory Auditor be ratified at the ensuing 23rd Annual

General Meeting. This ratification will be valid till the conclusion of 24th Annual General Meeting of the Company.

The Company has received a certificate from M/s Chandabhoj and Jassoobhoj to the effect that their re-appointment would be within the limits prescribed under Section 139 of the Companies Act, 2013.

ACKNOWLEDGEMENTS

- AIBI would like to thank Mr. U.K.Sinha for being the Chief Guest at our Summit 2015 for delivering the keynote address.
- AIBI would like to thank Mr. Jayanta Jash, Chief General Manager, SEBI for participating in the Technical Session as a Panel Member.
- AIBI would like to thank Mr. P. K. Bindlish, Chief General Manager, SEBI for participating in the Technical Session as a Panel Member.
- AIBI would like to thank Mr. Ashish Chauhan, CEO & MD, BSE for his support as a Sponsor and for his participation in the Panel discussion.
- AIBI would like to thank Mr. Nehal Vora, Chief Regulatory Officer, BSE and also Mr. Ajay Thakur, Head - SME Listing, BSE for their participation in the Panel discussion.
- AIBI would like to thank Ms. Ishita Vohra, Head Listings -Equity & Debt, NSE for NSE's support as a Sponsor and for her participation in the Panel discussion.
- AIBI would like to thank Mr. Ramesh Damani, Managing Director, Ramesh S. Damani Finance Pvt.Ltd., for his presentation and inaugural address at the Summit.
- AIBI would like to thank Mr. Bhupen Dalal for his presentation on behalf of our Platinum Sponsor, Merrill Datasite.
- AIBI would like to thank Mr. Vikesh Mistry for his presentation on behalf of our Platinum Sponsor, S&P Capital IQ.
- AIBI would like to thank all the Moderators and Panel Members for taking time out of their busy schedule to join the Panel discussion.
- AIBI would like to profusely thank all the Sponsors of our Summit especially BSE Limited, National Stock Exchange of India Limited and S&P Capital IQ for their continuous support as Sponsors and Khaitan & Co., and Merrill Datasite for agreeing to be the Platinum Sponsors, without whose support the Summit would not have been possible.
- AIBI would like to thank Mr. Prithvi Haldea without whose support the event would not have been a success.
- AIBI would like to thank "Concept" for managing this event and also Hotel ITC Grand for giving us the venue.
- AIBI would like to thank Mr. Shishir Joshi for conducting the Event as the Master of Ceremony.

- AIBI would like to thank Western Printers for their support in printing the Summit brochure.
- AIBI would like to thank all the members of the Working Group Committee (constituted by by FIU-IND) for their efforts in drafting, discussing and finalising the Report for submission to FIU-IND.
- AIBI would like to thank Mr. K.V. Karthik, Senior Director and Mr. Samir Paranjpe, Director, Deloitte for their Presentation on “Forensic Audit” last year immediately after our 22nd AGM.
- AIBI would like to thank Mr. Sudhir Bassi ED, Khaitan & Co. and his team for providing their conference room for conducting the training sessions and also making presentation on the topics.
- AIBI would like to thank Mr. Sunder V. Iyer, Partner, Audit Advisory & Assurance, and Mr. Anup Kumar Sharma, Director- Audit & Assurance practice of Deloitte for giving the presentation on “Financial Disclosure Requirements in Offer Documents and “Ind AS”.
- AIBI would like to thank Ms. Pranjul Bhandari, Chief India Economist, HSBC Securities and Capital Markets (India) Pvt. Ltd. for giving the presentation on “Directions of the Indian Economy with factors that will influence it”.
- AIBI would like to thank all the Members for their interest and co-operation in the Association’s affairs.
- AIBI would also like to appreciate the services rendered by our Statutory Auditors and all members of AIBI’s staff.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 28th July, 2016

B. MADHUPRASAD
CHAIRMAN

INDEPENDENT AUDITORS' REPORT

To
The Members of
Association of Investment Bankers of India

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Association of Investment Bankers of India**, which comprise the Balance Sheet as at 31st March 2016 and the Income and Expenditure Account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to

fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. The Company is licensed to operate under section 8 of the Companies Act, 2013 and as such the provisions of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet and the Income & Expenditure Account dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm's Registration No.- 101647W

Bhupendra T. Nagda
Partner
Membership No.: 102580

Place : Mumbai
Date : 28th July, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Referred to in para 2(f) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Association of Investment Bankers of India on the financial statements for the year ended 31st March 2016.

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Association of Investment Bankers of India ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the essential components of internal control stated in the Guidance Note issued by ICAI.

For and on behalf of
CHANDABHOY & JASSOOBHOY
Chartered Accountants
Firm's Registration No.- 101647W

Bhupendra T. Nagda

Partner

Membership No.: 102580

Place : Mumbai

Date : 28th July, 2016

BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Reserves and surplus	1	79,433,281	79,168,582
2 Non-current liabilities			
(a) Deffered tax liabilities (Net)	2	7,220,422	8,344,798
3 Current liabilities			
(a) Other current liabilities	3	544,432	204,940
(b) Short-term provisions	4	248,890	270,727
TOTAL		87,447,025	87,989,047
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
- Tangible assets	5	37,794,370	40,906,583
2 Non Current Investments	6	19,637,370	19,637,370
3 Current assets			
(a) Cash and cash equivalent	7	24,967,924	23,058,189
(b) Short-term loans and advances	8	2,521,292	1,883,026
(c) Other current assets	9	2,526,069	2,503,879
TOTAL		87,447,025	87,989,047

Significant Accounting policies 14

The accompanying notes 1 to 19 are an integral part of the financial statements.

As per our report attached

For and on behalf of

CHANDABHOY & JASSOOBHOY

Chartered Accountants

For and on behalf of the Board of Directors
ASSOCIATION OF INVESTMENT BANKERS OF INDIA

BHUPENDRA T. NAGDA

Partner

Membership No. : 102580

Place : Mumbai

Date : 28th July, 2016

B. MADHUPRASAD

Chairman

Place : Mumbai

Date : 28th July, 2016

Ms. GESU KAUSHAL

Vice Chairperson

K. SRINIVAS

Vice Chairman

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Note No.	Year ended 31.03.2016 ₹	Year ended 31.03.2015 ₹
INCOME:			
I. Membership Fees		2,675,000	2,762,500
II. Summit Income		2,637,655	1,613,287
III. Other Income	10	3,764,684	4,055,815
IV. Total Income		9,077,339	8,431,602
V. Expenses:			
Employee benefits expense	11	4,210,514	3,834,900
Finance costs	12	-	14,164
Depreciation and amortization expense		3,068,640	2,371,046
Summit Expenses		1,192,261	760,744
Other expenses	13	2,035,601	2,373,710
Total Expenses		10,507,016	9,354,564
VI. Excess of Income over Expenditure before tax (IV-V)		(1,429,677)	(922,962)
VII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(1,124,376)	(432,516)
Total Tax Expenses		(1,124,376)	(432,516)
VIII Excess of Income over Expenditure after tax (VI-VII)		(305,301)	(490,446)

Significant Accounting policies **14**

The accompanying notes 1 to 19 are an integral part of the financial statements.

As per our report attached

For and on behalf of

CHANDABHOY & JASSOOBHOY

Chartered Accountants

**For and on behalf of the Board of Directors
ASSOCIATION OF INVESTMENT BANKERS OF INDIA**

BHUPENDRA T. NAGDA

Partner

Membership No. : 102580

Place : Mumbai

Date : 28th July, 2016

B. MADHUPRASAD

Chairman

Place : Mumbai

Date : 28th July, 2016

Ms. GESU KAUSHAL

Vice Chairperson

K. SRINIVAS

Vice Chairman

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NOTE 1		
RESERVES AND SURPLUS		
General Reserve		
As per Last Balance Sheet	79,168,582	78,490,028
Add: Entrance fees received during the year	570,000	1,169,000
Add: Excess of Income over expenditure during the year	(305,301)	(490,446)
	<u>79,433,281</u>	<u>79,168,582</u>
NOTE 2		
DEFERRED TAX LIABILITIES (NET)		
<u>Deferred tax liabilities:</u>		
Differences between book and tax depreciation	8,455,147	8,999,937
<u>Deferred tax assets :</u>		
Expense allowable on payment basis	49,360	83,654
Unabsorbed losses carried forward	1,185,365	571,485
	<u>1,234,725</u>	<u>655,139</u>
Deferred tax liabilities (Net)	<u>7,220,422</u>	<u>8,344,798</u>
NOTE 3		
OTHER CURRENT LIABILITIES		
Outstanding expenses	176,255	116,978
Statutory liabilities	82,941	52,742
Overdrawn bank balance	285,236	35,220
	<u>544,432</u>	<u>204,940</u>
NOTE 4		
SHORT-TERM PROVISIONS		
Provision for employee benefits	248,890	270,727
	<u>248,890</u>	<u>270,727</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 5

FIXED ASSETS

Amount in ₹

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 31st March 2015	Additions	Disposals	Balance as at 31st March 2015	Depreciation for the year	On disposals	Balance as at 31st March 2016	Balance as at 31st March 2015
Tangible Assets								
Office Premises	38,569,807	—	—	1,860,149	1,787,790	—	3,647,939	36,709,658
Office Equipments	1,032,285	—	—	155,314	394,861	—	550,175	876,971
Furniture & Fixtures	2,957,918	—	—	237,053	704,338	—	941,391	2,720,865
Electrical Fittings	504,931	—	—	40,466	120,234	—	160,700	464,465
Vehicles	870,453	—	870,453	810,285	16,595	826,880	—	60,168
Computers	295,910	—	—	221,454	44,822	—	266,276	74,456
Grand Total	44,231,304	—	870,453	3,324,721	3,068,640	826,880	5,566,481	40,906,583
Previous Year	37,801,949	6,429,355	—	953,675	2,371,046	—	3,324,721	40,906,583

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 6	As at 31.03.2016 ₹	As at 31.03.2015 ₹
NON CURRENT INVESTMENTS		
Other Investments :		
Investments in Bonds:		
(Unquoted, Non Traded, At cost)		
50 (Previous year - 50) 6.70 % Indian Railway Finance Corporation Tax Free Bonds 2020 of Rs.100,000 each	4,895,000	4,895,000
2,500 (Previous year - 2,500) 8.20 % Power Finance Corporation Tax Free Bonds 2022 of Rs.1,000 each	2,660,000	2,660,000
2,500 (Previous year - 2,500) 8.20% National Highway authority of India Tax Free Bonds 2022 of Rs.1,000 each	2,667,250	2,667,250
8,800 (Previous year - 8,800) 7.93% Rural Electrification Corporation Tax Free Bonds 2022 of Rs.1,000 each	9,415,120	9,415,120
	19,637,370	19,637,370
NOTE 7		
CASH AND CASH EQUIVALENTS		
a. Cash on hand	261	19,255
b. Balances with Banks:		
In Savings Accounts	1,336,922	1,308,507
In Deposit Accounts	23,455,399	20,930,427
c. Bank Deposits with more than 12 months maturity	175,342	800,000
	24,967,924	23,058,189
NOTE 8		
SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good :		
Security Deposits	39,670	27,272
Staff Advances	—	9,000
Prepaid Expenses	168,308	137,651
Service Tax Receivable	219,629	92,162
Income Taxes paid (net of provisions)	2,092,985	1,616,941
Other receivables	700	—
	2,521,292	1,883,026
NOTE 9		
OTHER CURRENT ASSETS		
Interest accrued on Fixed Deposits with banks	1,651,367	1,630,734
Interest accrued on Investments	874,702	873,145
	2,526,069	2,503,879

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 10	As at 31.03.2016	As at 31.03.2015
OTHER INCOME	₹	₹
Interest :		
On deposit with banks	2,258,003	2,604,176
On savings account with bank	5,859	8,799
On Investments	1,444,396	1,442,840
Profit on sale of Fixed Asset	56,426	—
	3,764,684	4,055,815
NOTE 11		
EMPLOYEE BENEFIT EXPENSES		
Salaries	3,838,275	3,453,685
Contribution to provident and other funds	288,437	346,431
Staff welfare expenses	83,802	34,784
	4,210,514	3,834,900
NOTE 12		
FINANCE COSTS		
Interest expense	—	14,164
	—	14,164
NOTE 13		
OTHER EXPENSES		
Travelling and Conveyance	788,063	760,507
Website Expenses	300,000	300,000
Vehicle Expenses	18,466	101,156
Electricity Charges	194,365	137,285
Auditor's Remuneration		
- for statutory audit	55,000	45,000
- for taxation matters	89,000	67,912
- for company law matters	12,500	10,000
- for reimbursement of expenses	426	8,500
Printing and Stationery	84,973	72,221
Repairs and Maintenance - Others	21,159	2,499
Meeting Expenses	59,291	116,265
Telephone & Communication Charges	110,510	54,941
Office Expenses	83,313	113,825
Society Charges	141,348	208,896
Professional fees	46,000	124,704
Books & Periodicals	8,063	3,162
Rates & Taxes	2,500	2,500
Insurance Charges	13,508	5,875
Rent Office	—	195,041
Miscellaneous Expenses	7,116	43,421
	2,035,601	2,373,710

**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH, 2016**

14. Significant Accounting Policies

- 14.1 The accounts of the Association are maintained on historical cost convention.
- 14.2 Income other than Membership Fees & Entrance Fees and expenses are accounted on accrual basis.
- 14.3 a) Membership fees is accounted as income except in cases where membership ceases to be so in terms of Part E of Articles of Association.
- b) Annual Membership Fee is accounted as income and Entrance Fee is considered as an addition to Reserves.
- 14.4 Fixed assets are stated at cost less accumulated depreciation.
- 14.5 Depreciation is provided on the written down value method over the useful life of the assets as specified in Schedule II of the Companies Act, 2013. Depreciation is charged on a pro-rata basis from / up to the date of acquisition /sale or disposal.
- 14.6 Investments intended to be held for a period exceeding twelve months are classified as long-term investments and are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognize a decline, other than of a temporary nature.
- 14.7 a) Provident Fund is a defined benefit scheme and the contributions are charged to the income and expenditure account of the year on accrual basis.
- b) The liability for Gratuity and Superannuation is funded through Schemes administered by the Life Insurance Corporation of India. Amounts payable under the schemes are charged to revenue.
- c) Liability for leave encashment of employees, in accordance with the rules of the Company, is accrued for the un-availed en-cashable leave balance standing to the credit of employees as at the balance sheet date.
- 14.8 Taxes on income is computed using the tax effect accounting method whereby such taxes are accrued in the same period as the revenue and expense to which they relate.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income

**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH, 2016**

will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

15. Association of Investment Bankers of India is a non-profit association registered under section 8 of the Companies Act, 2013.
16. Capital commitments – Estimated amount of contracts remaining to be executed on capital account and not provided for - Nil (Previous Year - Nil).
17. There was no expenditure or income or remittance in foreign currency during the year.
18. Amounts due to Micro, Small and Medium Enterprises is Nil (Previous Year – Nil).
19. Previous year's figures have been regrouped / rearranged, wherever necessary.

As per our report attached

For and on behalf of

CHANDABHOY & JASSOOBHOY
Chartered Accountants

For and on behalf of the Board of Directors
ASSOCIATION OF INVESTMENT BANKERS OF INDIA

BHUPENDRA T. NAGDA

Partner

Membership No. : 102580

Place : Mumbai

Date : 28th July, 2016

B. MADHUPRASAD

Chairman

Place : Mumbai

Date : 28th July, 2016

Ms. GESU KAUSHAL

Vice Chairperson

K. SRINIVAS

Vice Chairman



Technical Session 1 - (From L to R) - Mr. Siddhartha Pahwa, Mr. Arvind Vashishta, Mr. Gopal Jain, Mr. K.V. Harish, Ms. Ishita Vohra, Mr. Sudhir Bassi and Mr. Anup Bagchi



Technical Session 2 - (From L to R) - Mr. Navneet Munot, Mr. Abhijit Gulanikar, Mr. Shrikant Mate, Mr. Vikas Khemani, Mr. Srinivas Chidambaram, Mr. Jayanta Jash and Mr. Atul Mehra



Technical Session 3 - (From L to R) - Mr. Harshad Thakkar, Mr. D .R. Dogra, Mr. P. K. Bindlish, Mr. Nehal Vora, Mr. Ajay Thakur, Mr. B. Madhuprasad and Mr. Mahavir Lunawat.



Special Session - (From L to R) Mr. Pavan Kaushal, Mr. Srinivas Varadarajan, Mr. Vishwavir Ahuja, Mr. Nilesh Shah, Mr. Ridham Desai, Ms. Pranjul Bhandari, Mr. Amit Chandra and Ms. Menaka Doshi



AIBI Seminar Series 1, 2 and 3 - Mr. Sudhir Bassi (ED, Khaitan & Co.) and his colleague making a presentation at the Seminar Series



AIBI Seminar Series - 4 - Mr. Sundar V. Iyer, Partner, Deloitte Haskins & Sells, making a presentation at the Seminar Series



AIBI Seminar Series - 4 - Mr. Anup Sharma, Director, Deloitte Haskins & Sells, making a presentation at the Seminar Series



AIBI Seminar Series - 4 Ms. Pranjul Bhandari, Chief India Economist, HSBC Securities making a presentation at the Seminar Series



Delegates at the AIBI Summit 2015



Some of the Board of Directors, Advisor, CEO and other staff members

LIST OF MEMBERS

- 1 A K CAPITAL SERVICES LTD.
- 2 AMBIT CORPORATE FINANCE PTE. LTD.
- 3 ANAND RATHI ADVISORS LTD.
- 4 ASHIKA CAPITAL LTD.
- 5 AVENDUS CAPITAL PVT. LTD.
- 6 AXIS BANK LTD.
- 7 AXIS CAPITAL LTD.
- 8 BARCLAYS BANK PLC
- 9 BCB BROKERAGE PVT. LTD.
- 10 BIRLA CAPITAL AND FINANCIAL SERVICES LTD.
- 11 BNP PARIBAS
- 12 BOB CAPITAL MARKETS LTD.
- 13 BOI MERCHANT BANKERS LTD.
- 14 CANARA BANK
- 15 CENTRAL BANK OF INDIA
- 16 CENTRUM CAPITAL LTD.
- 17 CHARTERED FINANCE MANAGEMENT LTD.
- 18 CHOICE CAPITAL ADVISORS PVT. LTD.
- 19 CITIGROUP GLOBAL MARKETS INDIA PVT. LTD.
- 20 CREDIT SUISSE SECURITIES (INDIA) PVT. LTD.
- 21 DEUTSCHE EQUITIES INDIA PVT. LTD.
- 22 DSP MERRILL LYNCH LTD.
- 23 EDELWEISS FINANCIAL SERVICES LTD.
- 24 ERNST & YOUNG MERCHANT BANKING SERVICES PVT. LTD.
- 25 HDFC BANK LTD.
- 26 HSBC SECURITIES & CAPITAL MARKETS (INDIA) PVT. LTD.
- 27 ICICI SECURITIES LTD.
- 28 IDBI CAPITAL MARKET SERVICES LTD.
- 29 IDFC SECURITIES LTD.
- 30 IIFL HOLDINGS LTD.
- 31 IL & FS CAPITAL ADVISORS LTD.
- 32 INDIAN OVERSEAS BANK
- 33 INGA CAPITAL PVT. LTD.
- 34 J.P. MORGAN INDIA PRIVATE LTD.
- 35 JEFFERIES INDIA PRIVATE LIMITED
- 36 JM FINANCIAL INSTITUTIONAL SECURITIES LTD.
- 37 KARVY INVESTOR SERVICES LTD.
- 38 KEYNOTE CORPORATE SERVICES LIMITED
- 39 KJMC CORPORATE ADVISORS (INDIA) LTD.
- 40 KOTAK MAHINDRA CAPITAL COMPANY LTD.
- 41 LAZARD INDIA PVT. LTD.
- 42 MORGAN STANLEY INDIA CO. PVT. LTD.
- 43 MOTILAL OSWAL INVESTMENT ADVISORS PVT. LTD.
- 44 MUNOTH FINANCIAL SERVICES LTD.
- 45 PANTOMATH CAPITAL ADVISORS PVT.LTD.
- 46 RELIGARE CAPITAL MARKETS LTD.
- 47 ROTHSCHILD & SONS (INDIA) PVT. LTD.
- 48 SAFFRON CAPITAL ADVISORS PVT. LTD.
- 49 SBI CAPITAL MARKETS LIMITED
- 50 SMC CAPITALS LTD.
- 51 TRUST INVESTMENT ADVISORS PVT. LTD.
- 52 UBS SECURITIES INDIA PVT. LIMITED
- 53 UNION BANK OF INDIA
- 54 VIVRO FINANCIAL SERVICES PVT. LTD.
- 55 YES BANK LTD.