



Head Office :- Near Mamta Ice Factory, Opp. Om Dharam Kanta, Ringus Road, Chomu, Jaipur - 303702  
Jaipur Office :- Shop No. 437, Opp. S.K. Soni Hospital, Sikar Road, Jaipur - 302039,  
Mumbai office :- A 102, Vasundra II, Poonam Sagar Complex, Mira Road East Thane-401107  
Ph: 0141-2236375, 97029-28280 e-mail: ajngupta@ajngupta.com, www.ajngupta.com

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

### M/s BIRLA JEWELS LIMITED

(Formerly known as K Bazaar Online Trading Private Limited)

#### Report on the Financial Statements

We have audited the accompanying financial statements of BIRLA JEWELS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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, financial performance and cash flows 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015; and
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;

### Report on other Legal and Regulatory Requirements

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 appears from our examination of those books.
- c) the Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet and Statement of Profit comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company does not have any long-term contracts including derivatives contracts for which any provision is required;
  - iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.

For Agrawal, Jain and Gupta  
Chartered Accountants



CA Narayan Swami

Partner

M. No – 409759

Firm Registration No. 013538C

Place: Mumbai

Dated: 28.08.2015



**BIRLA JEWELS LIMITED**  
(Formerly known as K Bazaar Online Trading Private Limited)

Balance Sheet As At 31st March, 2015

(Amount in Rupees)

Particulars	Note No.	31-Mar-15	31-Mar-14
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3.1	100,000	100,000
(b) Reserves and Surplus	3.2	(732,090)	(694,005)
<b>(2) Current Liabilities</b>			
(a) Short-Term Borrowings	3.3	586,247	572,747
(b) Trade Payables	3.4	53,708	33,708
<b>Total Equity &amp; Liabilities</b>		<b>7,865</b>	<b>12,450</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	3.5	-	-
Gross Block		-	-
Depreciation			
Net Block		-	-
<b>(2) Current Assets</b>			
(a) Cash and cash equivalents	3.5	6,340	10,010
(b) Other current assets	3.6	1,525	2,440
<b>Total Assets</b>		<b>7,865</b>	<b>12,450</b>

Schedules referred to above and notes attached there to form an integral part of Balance Sheet  
This is the Balance Sheet referred to in our report

For Agrawal, Jain and Gupta  
Chartered Accountants

Firm Registration No. 013538C

*CA Narayan Swami*

CA Narayan Swami  
Partner

Membership No.: 409759



FOR BIRLA JEWELS LIMITED



*Deepak Tripathi*

DEEPAK TRIPATHI  
Director  
DIN: 06992415

*Nikita Rattanshi*

NIKITA RATTANSHI  
Director  
DIN:06628793

Mumbai

Date : 28.08.2015

**BIRLA JEWELS LIMITED**

(Formerly known as K Baazar Online Trading Private Limited)

Profit &amp; Loss Statement for the year ended on 31st March, 2015

(Amount in Rupees)

Sr. No	Particulars	Note No.	31-Mar-15	31-Mar-14
I	Revenue from operations		-	-
II	Other Income			
III	<b>III. Total Revenue (I +II)</b>			-
IV	<b>Expenses:</b>			
	Employee Benefit Expense		-	-
	Financial Costs		-	-
	Other Administrative Expenses	3.8	38,085	24,561
	<b>Total Expenses (IV)</b>		38,085	24,561
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(38,085)	(24,561)
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(38,085)	(24,561)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		(38,085)	(24,561)
X	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax			
XI	Profit(Loss) from the period from continuing operations	(IX-X)	(38,085)	(24,561)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV	Profit/(Loss) for the period (XI + XIV)		(38,085)	(24,561)
XVI	Earning per equity share:			
	(1) Basic		(3.81)	(2.46)
	(2) Diluted		(3.81)	(2.46)

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement  
This is the Profit & Loss Statement referred to in our Report of even date.

For Agrawal, Jain and Gupta

Chartered Accountants

Firm Registration No. 013538C



CA Narayan Swami

Partner

Membership No.: 409759



FOR BIRLA JEWELS LIMITED

DEEPAK TRIPATHI

Director

DIN: 06992415




NIKITA RATTANSHI

Director

DIN:06628793

Mumbai

Date : 28.08.2015

# BIRLA JEWELS LIMITED

(Formerly known as K Baazar Online Trading Private Limited)

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2015

## Note: 3.1 Share Capital

Particulars	31-Mar-15	31-Mar-14
<b>AUTHORIZED CAPITAL</b>		
10,000 Equity Shares of Rs. 10/- each.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
<b>To the Subscribers of the Memorandum</b>		
a) 8999 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment to Birla Gold and Precious Metals Limited	89,990	89,990
b) 1 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment Nikita Rattanshi	10	10
c) 1000 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment Binary Web Solutions (India)	10,000	10,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>

## Note No: 3.2 Reserve & Surplus

Particulars	31-Mar-15	31-Mar-14
Surplus (Profit & Loss Account)	(732,090)	(694,005)
Balance brought forward from previous year	(694,005)	(669,444)
Less: Tax on Regular Assessment Paid	-	-
Add: Transferred from surplus in Statement of Profit and Loss	(38,085)	(24,561)
<b>Total</b>	<b>(732,090)</b>	<b>(694,005)</b>

## Note No: 3.3 Short-Term Borrowings

Particulars	31-Mar-15	31-Mar-14
Loans & Advances From Related Parties (Unsecured)	586,247	572,747
<b>Total</b>	<b>586,247</b>	<b>572,747</b>

## Note No: 3.4 Trades Payable

Particulars	31-Mar-15	31-Mar-14
Sundry creditors- less than 1 Year	53,708	33,708
<b>Total</b>	<b>53,708</b>	<b>33,708</b>

## Note No: 3.5 Cash & Cash Equivalent

Particulars	31-Mar-15	31-Mar-14
<b>Cash-in-Hand</b>		
Cash Balance	5,340	10,010
<b>Sub Total (A)</b>	<b>5,340</b>	<b>10,010</b>
<b>Balances With Bank</b>		
In current Account	1,000	-
<b>Sub Total (B)</b>	<b>1,000</b>	<b>-</b>
<b>Total</b>	<b>6,340</b>	<b>10,010</b>

## Note No: 3.6 Other Current assets

Particulars	31-Mar-15	31-Mar-14
Miscellaneous Expenditure	1,525	2,440
<b>Total</b>	<b>1,525</b>	<b>2,440</b>



## BIRLA JEWELS LIMITED

(Formerly known as K Bazaar Online Trading Private Limited)

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2015

### Note No: 3.7 Other Administrative Expenses

	Particulars	31-Mar-15	31-Mar-14
	Auditors Remuneration	20,000	11,236
	Conveyance	970	-
	Filing and other Expenses	9,000	4,105
	General Expenses	3,700	-
	Legal Expenses	-	5,500
	Preliminary Expenses W/Off	915	1,220
	Professional Tax Company	2,500	2,500
	Interest & Penalties	1,000	-
	<b>Total</b>	<b>38,085</b>	<b>24,561</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. COMPANY INFORMATION

Birla Jewels Limited is a company incorporated under the Companies Act, 1956. It was formerly known as K Bazaar Online Trading Private Limited.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 1) Basis of Accounting:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

#### 2) Use of Estimates

The preparation of financial statements in conformity with Generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognized in the year in which the events become known / are materialized.

#### 3) Fixed Assets:

Tangible Assets are stated at acquisition cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.



#### **4) Impairment of Assets**

The carrying amounts of assets are reviewed to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

#### **5) Revenue Recognition**

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

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services adjusted for discounts net of taxes and goods return.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Fixed Deposit Interest is accounted as per statements / documents issued by banks.

Dividend income is accounted for on receipt basis.

#### **6) Investments**

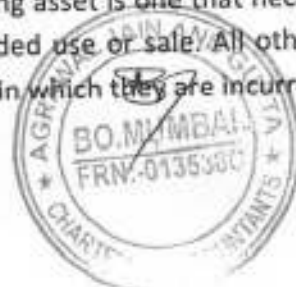
Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost, less provision for diminution in value other than temporary.

#### **7) Foreign Currency Transactions**

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transaction. At the year-end, all monetary assets and liabilities denominated in foreign currency are reinstated at the year-end exchange rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

#### **8) Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Profit and Loss A/c in the year in which they are incurred.





## 9) Taxation

Tax expense comprising current tax and deferred tax are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961

Deferred Taxation on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods is accounted for using the tax rates and tax laws enacted or subsequently enacted as on the balance sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only when there is a reasonable certainty of their realization.

## 10) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 11) Leases

### Where the Company is the lessor

Assets given on operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

### Where the Company is the lessee

Leases where the lesser effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.



## **12) Depreciation**

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the assets which were purchased before 1st April, 2014 where depreciation is provided at the rates of depreciation (vis-à-vis useful life of assets) in accordance with schedule XIV of the Companies Act, 1956.

## **13) Employee Benefits:**

Liability in respect of employee benefits is provided for and is charged to profit and loss account as follows:

### **Defined Benefit Plan**

The company has Defined Benefit Plan comprising of Gratuity and Leave benefits. The liability of gratuity and leave benefit is determined as and when they arise.



### 3. Notes to Accounts

3.9 The previous year's figures have been reworked, rearranged and reclassified wherever considered necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

3.10 All items of receipts and payments, Income & Expenditure wherever details, vouchers, supporting and or any sort of evidences not available are hereby approved confirmed, authenticated and certified by the management.

3.11 Payment to Auditors & Director's Remuneration:

Sr. No.	Particulars	2014-2015	2013-2014
i)	Remuneration to Directors	NIL	NIL
ii)	Payment to Auditors	Rs. 20,000/-	Rs. 11,236/-

3.12 As per Accounting Standard 18, the disclosure of transactions with related parties are as Follows:

a. List of Related Parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	Birla Financial Distribution Pvt. Ltd	
2	Birla Gold & Precious Metals Ltd	

b. Transactions during the year with related parties:

Sr. No.	Nature of Transaction	Companies with Common Directors	Directors	Directors' Relatives	Shareholders	Total
						NIL

3.13 In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated.



3.14 The outstanding balances of Sundry Debtors, Sundry Creditors, and loans & advances are subject of confirmation and reconciliation/ consequential adjustment, if any.

3.15 As per the information available with the Company and certified by them, total outstanding due to Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of the year is Rs. Nil (Nil).

For Agrawal, Jain and Gupta  
Chartered Accountants



CA Nitesh Agrawal  
M. No - 406155  
Firm Registration No. 013538C



FOR BIRLA JEWELS LIMITED



DEEPAK TRIPATHI  
DIRECTOR  
DIN: 06992415



NIKITA RATTANSHI  
DIRECTOR  
DIN: 06628793



Place: Mumbai

Date: 28.08.2015