



INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
M/s BIRLA JEWELS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s BIRLA JEWELS LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2016, 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;

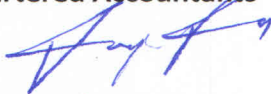
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

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, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, 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 DEEPAK PANERI
Chartered Accountants



CA Deepak Paneri
M. No – 421387



Place: Mumbai
Date: 27.05.2016

BIRLA JEWELS LIMITED

(Formerly Known as K Bazar Online Trading Private Limited)

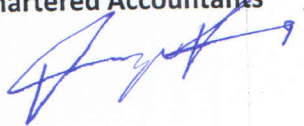
Balance Sheet As At 31st March, 2016

(Amount in Rupees)

Particulars	Note No	31-Mar-16	31-Mar-15
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3.1	10,000,000	100,000
(b) Reserves and Surplus	3.2	(145,758)	(732,090)
(2) Non - Current Liabilities			
(a) Deferred Tax Liabilities		61,133	-
(3) Current Liabilities			
(a) Short-Term Borrowings	3.3	1,382,767	586,247
(b) Trade Payables	3.4	24,056,366	53,708
(c) Other Current Liabilities	3.5	3,489,833	-
(d) Short-Term Provisions	3.6	152,418	-
Total Equity & Liabilities		38,996,759	7,865
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	3.7		
(i) Tangible Assets		2,081,312	-
Gross Block		2,081,312	-
Depreciation		210,362	-
Net Block		1,870,950	-
(b) Long Term Loans and Advances	3.8	475,000	-
(2) Current Assets			
(a) Cash and cash equivalents	3.9	955,801	6,340
(b) Trade Receivables	3.10	34,561,880	-
(c) Short-term loans and advances	3.11	954,808	1,525
(d) Other Current Assets	3.12	178,320	-
Total Assets		38,996,759	7,865

The accompanying notes are an integral part of the financial statements
This is the Balance Sheet referred to in our Report of even date.

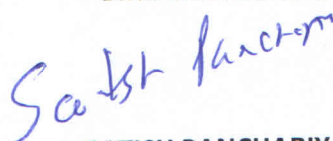
For Deepak Paneri
Chartered Accountants



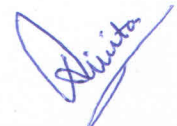
CA Deepak Paneri
Membership No. : 421387



For and on behalf of board of directors of
BIRLA JEWELS LIMITED



SATISH PANCHARIYA
Director
DIN: 00042934



NIKITA RATTANSHI
Director
DIN: 06628793

Place: Mumbai
Date: 27.05.2016

BIRLA JEWELS LIMITED

(Formerly Known as K Bazar Online Trading Private Limited)

Profit & Loss Statement for the year ended on 31st March, 2016

(Amount in Rupees)

Particulars	Note No	2015-16	2014-15
Revenue from operations	3.13	109,676,628	-
Other Income	3.14	612,500	-
Total Revenue		110,289,128	-
Expenses:			
Cost of Operations	3.15	104,678,718	-
Financial Cost	3.16	2,680	-
Depreciation & Amortised Cost	3.17	256,467	-
Employee Cost	3.18	2,500,705	-
Other Administrative Expenses	3.19	2,050,675	38,085
Total Expenses		109,489,245	38,085
Profit before tax		799,882	(38,085)
Tax expense:			
(1) Current tax		152,418	-
(2) Deferred tax		61,133	-
Profit/(Loss) for the period		586,332	(38,085)
Earning per equity share:			
(1) Basic		0.06	(3.81)
(2) Diluted		0.06	(3.81)

The accompanying notes are an integral part of the financial statements
This is the Balance Sheet referred to in our Report of even date.

For Deepak Paneri
Chartered Accountants

CA Deepak Paneri
Membership No. : 421387



For and on behalf of board of directors of
BIRLA JEWELS LIMITED

Satish Panchariya

SATISH PANCHARIYA
Director
DIN: 00042934

Nikita Rattanshi

NIKITA RATTANSHI
Director
DIN: 06628793

Place: Mumbai
Date: 27.05.2016

BIRLA JEWELS LIMITED

(Formerly Known as K Bazar Online Trading Private Limited)

Cash Flow Statement for the year ended 31st March, 2016

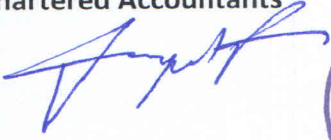
Sr. No	Particulars	F.Y. 2015-16	F.Y. 2014-15
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	799,882	(38,085)
	Adjustments For:		
	Preliminary Expenses	46,105	915
	Depreciation	210,362	
	Operating Cash Flow Before Changes In Working Capital	1,056,350	(37,170)
	Adjustments For:		
	(Increase)/Decrease In Loans And Advances	(953,283)	-
	(Increase)/Decrease In Trade Receivable	(34,561,880)	-
	Increase/(Decrease) In Current Liabilities And Provisions	28,289,011	20,000
	Net Changes In Working Capital	(6,169,802)	(17,170)
	Taxes Paid	-	-
	Miscellaneous Expenditure Incurred	(224,425)	-
	Extraordinary Items	-	-
	Cash Generated From/(Used In) Operations	(6,394,227)	(17,170)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase Of Fixed Assets	(2,081,312)	-
	Deposit Made	(475,000)	-
	Cash Generated /(Used In) From Investing Activities	(2,556,312)	-
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds From Issue Of Equity Share Capital	9,900,000	-
	Proceeds From Borrowings	-	13,500
	Cash Generated /(Used In) From Financing Activities	9,900,000	13,500
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	949,461	(3,670)
	Cash And Cash Equivalents At The Beginning Of The Year	6,340	10,010
	Cash And Cash Equivalents At The End Of The Year	955,801	6,340
1	Note:		
	Cash and cash equivalents at the year end comprise:		
	Cash On Hand	16,048	5,340
	Balance With Scheduled Banks In		
	- Current Accounts	939,753	1,000
	- Deposit Accounts		
		955,801	6,340
		(0)	-



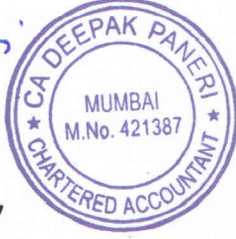
2	The Cash Flow Statement Has Been Prepared Under Indirect Method As Set Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India		
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As per our report of even date attached

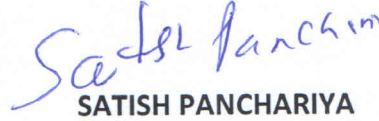
For Deepak Paneri
Chartered Accountants



CA Deepak Paneri
Membership No. : 421387



For and on behalf of board of directors of
BIRLA JEWELS LIMITED



SATISH PANCHARIYA
Director
DIN: 00042934



NIKITA RATTANSHI
Director
DIN: 06628793

Place: Mumbai
Date: 27.05.2016

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

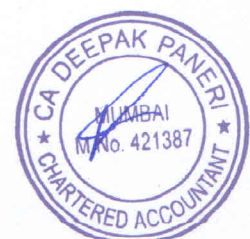
The preparation of financial statements in conformity with Generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures relating to contingent liabilities and assets 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

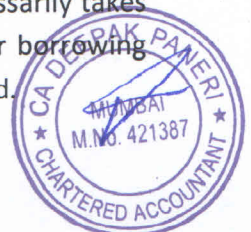
Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.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

3.20 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.

3.21 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.

3.22 Payment to Auditors & Director's Remuneration:

Sr. No.	Particulars	2014-2015	2013-2014
i)	Remuneration to Directors	NIL	NIL
ii)	Payment to Auditors	Rs. 30,000/-	Rs. 20,000/-

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

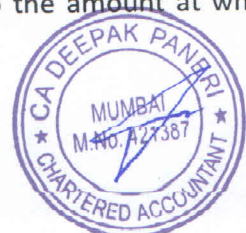
a. List of Related Parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	KSS Limited	Holding Company
2	Birla Gold & Precious Metals Limited	Co-subsiary Company
3	K Sera Sera Miniplex Limited	Co-subsiary Company
4	K Sera Sera Box Office Private Limited	Co-subsiary Company
5	K Sera Sera Digital Cinema Private Limited	Co-subsiary Company

Details of amount due to or due from related parties at the end of the financial year:

Particulars	As on 31.03.2016	As on 31.03.2015
K Sera Sera Miniplex Limited	53500	52900
KSS Limited	1328747	528747
Birla Gold & Precious Metals Limited	954808	1000

3.24 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.



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

3.26 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 DEEPAK PANERI
Chartered Accountant



CA Deepak Paneri
M. No. 421387



Sr
Satish Panchariya

SATISH PANCHARIYA
DIRECTOR
DIN: 00042934

For and on behalf of board of directors of
BIRLA JEWELS LIMITED



NIKITA RATTANSHI
DIRECTOR
DIN: 06628793

Place: Mumbai
Date: 27.05.2016

BIRLA JEWELS LIMITED

(Formerly Known as K Bazar Online Trading Private Limited)

Notes an integral part of the financial statements

Note: 3.1 Share Capital

Particulars	31-Mar-16	31-Mar-15
AUTHORIZED CAPITAL		
10,00,000 Equity Share of Rs 10 each (P.Y. 10,000 Equity Shares of Rs. 10/- each).	10,000,000	100,000
	10,000,000	100,000
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
To the Subscribers of the Memorandum		
10,00,000 Equity Share of Rs 10 each (P.Y. 10,000 Equity Shares of Rs. 10/- each).	10,000,000	100,000
Total	10,000,000	100,000

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	F.Y. 2015-2016	F.Y. 2014-2015
	No. of shares	No. of shares
Equity Shares		
Equity shares at the beginning of the year	10,000	10,000
Add: shares issued during the year	990,000	-
Equity shares at the end of the year	1,000,000	10,000

- b) There are No (Previous year-No) rights, preference and restriction attaching to each class of shares including restriction on the distribution of dividend and the repayment of capital.
- c) There are nil number of shares (Previous year-Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.
- d) Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2016

Name of the Shareholder	No. of shares	No. of shares
KSS Limited	999,990	99.99%



Note: 3.2 Reserves & Surplus

Particulars	31-Mar-16	31-Mar-15
Surplus (Profit & Loss Account)	(732,090)	(694,005)
Add: Profit for the period	586,332	(38,085)
Total	(145,758)	(732,090)

Note: 3.3 Short Term Borrowings

Particulars	31-Mar-16	31-Mar-15
Advance from related parties	1,382,767	586,247
Total	1,382,767	586,247

Note: 3.4 Trade Payables

Particulars	31-Mar-16	31-Mar-15
Sundry Creditors	24,056,366	53,708
Total	24,056,366	53,708

Note: 3.5 Other Current Liabilities

Particulars	31-Mar-16	31-Mar-15
TDS Payable	192,500	-
Professional Tax Payable	1,400	-
ROC Fees & Stamp Duty Payable	201,000	-
Output VAT Payable	154,933	-
Advance received from clients	2,900,000	-
Audit Fees Payable	40,000	-
Total	3,489,833	-

Note: 3.6 Short Term Provisions

Particulars	31-Mar-16	31-Mar-15
Provisions for Income Tax	152,418	-
Total	152,418	-

Note: 3.8 Long Term Loans and Advances

Particulars	31-Mar-16	31-Mar-15
Deposit - Rent	475,000	-
Total	475,000	-



Note: 3.9 Cash & Cash Equivalent

Particulars	31-Mar-16	31-Mar-15
Cash-in-Hand		
Cash Balance	16,048	5,340
Sub Total (A)	16,048	5,340
Bank Balance		
Current accounts	939,753	1,000
Sub Total (B)	939,753	1,000
Total	955,801	6,340

Note: 3.10 Trade Receivables

Particulars	31-Mar-16	31-Mar-15
Debtors Less than 6 months	34,561,880	-
Total	34,561,880	-

Note: 3.11 Short Term Loans and Advances

Particulars	31-Mar-16	31-Mar-15
Loans & Advances to related parties	954,808	1,525
Total	954,808	1,525

Note: 3.12 Other Current Assets

Particulars	31-Mar-16	31-Mar-15
Misc Expenses not w/off	178,320	-
Total	178,320	-

Note: 3.13 Income From Operations

Particulars	31-Mar-16	31-Mar-15
Sales Gold Jewellery	109,676,628	-
Total	109,676,628	-

Note: 3.14 Other Income

Particulars	31-Mar-16	31-Mar-15
Other Income	612,500	-
Total	612,500	-



Note:3.15 Cost of Operations

Particulars	31-Mar-16	31-Mar-15
Opening Stock	-	-
Add: Purchases & Labour Charges	104,678,718	-
Less: Closing Stock	-	-
Total	104,678,718	-

Note:3.16 Financial Cost

Particulars	31-Mar-16	31-Mar-15
Bank Charges	2,680	-
Total	2,680	-

Note:3.17 Depreciation & Amortised Cost

Particulars	31-Mar-16	31-Mar-15
Depreciation	210,362	-
Preliminary Expenses W/off	46,105	-
Total	256,467	-

Note: 3.18 Employment Benefit Expenses

Particulars	31-Mar-16	31-Mar-15
Salaries	2,470,164	-
Staff Welfare Expenses	30,541	-
Total	2,500,705	-

Note: 3.19 Other Administrative Expenses

Particulars	31-Mar-16	31-Mar-15
Audit Fees	30,000	20,000
Conveyance Expenses	62,179	970
Roc fees	8,200	9,000
Office Expenses	137,444	4,615
Printing & Stationery Expenses	23,390	-
Professional Fees	701,033	-
Travelling Expenses	272,782	-
Telephone Expenses	18,872	-
Hotel & Restaurant Expenses	167,474	-
Membership Subscription	12,595	-
Rate & Taxes	5,025	2,500
Postage Charges	8,676	-
Office Repair & Maintenance	15,430	-
Interest & Penalty	-	1,000
Advertising Expenses	587,575	-
Total	2,050,675	38,085

