

**TBK VENKATARAMIAH TILE  
BATH KITCHEN PRIVATE  
LIMITED  
2014-15**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of **TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. 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.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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.
7. 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**

8. 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, 2015, and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

9. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
10. 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, the Statement of Profit and Loss, and the Cash Flow Statement 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 March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 Ganesh Jagadeesh & Co.**

Chartered Accountants  
F R N 115675W

**CA Vivek Hebbar**

Partner  
M No 111339

Place: Mumbai  
Date:

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2015**

( Amount in Rs.)

Particulars	Note No	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	1,00,000	1,00,000
(b) Reserves and Surplus	3	(69,10,523)	(40,81,186)
<b>2 Non Current Liabilities</b>			
(a) Long Term Borrowings	4	77,50,000	77,50,000
(b) Long Term Provisions	5	1,17,115	70,673
<b>3 Current Liabilities</b>			
(a) Trade Payables	6	15,54,626	21,37,219
(b) Other Current Liabilities	7	38,02,769	40,45,294
<b>TOTAL</b>		<b>64,13,987</b>	<b>1,00,22,001</b>
<b>II. ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Fixed assets	8		
(i) Tangible Assets		27,99,367	39,99,108
(ii) Intangible Assets		-	6,944
(b) Long Term Loans and Advances	9	2,33,510	2,33,510
<b>2 Current Assets</b>			
(a) Inventories	10	18,14,781	23,76,731
(b) Trade Receivables	11	11,49,819	17,89,279
(c) Cash and Cash Equivalents	12	1,84,511	13,79,810
(d) Short Term Loans and Advances	13	-	4,619
(e) Other Current Assets	14	2,32,000	2,32,000
<b>TOTAL</b>		<b>64,13,987</b>	<b>1,00,22,001</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS</b>	<b>1 &amp; 21</b>		
As per our report of even date <b>For Ganesh Jagadeesh &amp; Co</b> Chartered Accountants Firm Registration No.115675W		<b>For and on behalf of the Board of Directors</b> <b>TBK Venkataramiah Tile Bath Kitchen Private Limited</b>	
<b>Vivek Hebbar</b> Partner Membership No. 111339		<b>Shiv Kumar Chitreddy</b> Director DIN - 06648429	<b>Ajit Singh</b> Director DIN - 06633198
Mumbai, Dated : May 05, 2015			

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

( Amount in Rs.)

	Particulars	Note No	2014-15	2013-14
I.	Revenue from operations	15	1,92,51,184	2,52,73,443
II.	Other income		-	9,000
<b>III.</b>	<b>Total Revenue (I + II)</b>		1,92,51,184	2,52,82,443
IV.	Expenses:			
	Purchases of Stock-in-Trade	16	1,69,99,448	2,19,99,922
	Changes in inventories of Stock-in-Trade	17	5,61,951	3,59,056
	Employee benefits expense	18	11,91,784	14,38,759
	Finance costs	19	-	9,53,508
	Depreciation and amortization expense	8	11,89,298	9,18,725
	Other expenses	20	21,20,653	18,94,635
	Total expenses		2,20,63,134	2,75,64,606
<b>V.</b>	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(28,11,951)</b>	<b>(22,82,162)</b>
VI.	Exceptional items			
<b>VII.</b>	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>(28,11,951)</b>	<b>(22,82,162)</b>
VIII.	Extraordinary Items		-	28,81,315
<b>IX.</b>	<b>Profit before tax (VII- VIII)</b>		<b>(28,11,951)</b>	<b>5,99,153</b>
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
			-	-
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(28,11,951)</b>	<b>5,99,153</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
<b>XIV</b>	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(28,11,951)</b>	<b>5,99,153</b>
XVI	Earnings per equity share:			
	(1) Basic		(281.20)	59.92
	(2) Diluted		(281.20)	59.92

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

1 & 21

As per our report of even date  
**For Ganesh Jagadeesh & Co**  
Chartered Accountants  
Firm Registration No.115675W

**For and on behalf of the Board of Directors**  
**TBK Venkataramiah Tile Bath Kitchen Private Limited**

**Vivek Hebbar**  
Partner  
Membership No. 111339

**Shiv Kumar Chitreddy**  
Director  
DIN - 06648429

**Ajit Singh**  
Director  
DIN - 06633198

Mumbai,  
Dated : May 05, 2015

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<b>A. Cash Flow from Operating Activities</b>				
Profit/(Loss) before taxation	-	(28,11,951)		5,99,153
Adjustments for:-				
Provision/(Reversal) of Gratuity	46,442		(29,711)	
Depreciation & amortisation	11,89,298		9,18,725	
Loss on Sale of Tangible assets(net)	-		-	
Remission of Liability	-		(28,81,315)	
Interest Expenditure	-		9,53,508	
Dividend Income		12,35,740	-	(10,38,793)
<b>Operating profit/ (Loss) before Changes in Working Capital:</b>		<b>(15,76,210)</b>		<b>(4,39,640)</b>
<b>Changes in Working Capital:</b>				
Increase / (Decrease) in trade payables	(5,82,593)		(18,139)	
Increase / (Decrease) in Short Term borrowings	-		-	
Increase / (Decrease) in other current liabilities	(2,42,525)		(2,51,784)	
(Increase) / Decrease in trade receivables	6,39,460		6,97,477	
(Increase) / Decrease in inventories	5,61,951		3,59,056	
(Increase) / Decrease in Other Bank balances under Lien	-		-	
(Increase) / Decrease in short term loans and advances	4,619		(4,619)	
(Increase) / Decrease in other current assets	-		-	
(Increase) / Decrease in other non-current assets	-	3,80,912	-	7,81,990
Taxes paid (net of refunds)				-
<b>Net cash flow from operating activities</b>	<b>A</b>	<b>(11,95,299)</b>		<b>3,42,351</b>
<b>B. Cash flow from Investing Activities</b>				
Purchase of Investment	-		-	-
Purchase of tangible/intangible assets	-		(28,135)	
Sale Proceeds of tangible assets	-		-	
Dividend Received	-		-	
Interest received	-		-	
<b>Net Cash generated / (used) from investing activities</b>	<b>B</b>	<b>-</b>		<b>(28,135)</b>
<b>C. Cash flow from Financing Activities</b>				
Increase in Share Capital including Shares Premium				
Interest paid	-		(9,53,508)	
Proceeds from Borrowings including	-		12,50,000	
Current Obligation of Long term Debt(net)			-	
Repayment of borrowings	-		(4,10,285)	
<b>Net Cash Generated from Financing Activities</b>	<b>C</b>	<b>-</b>		<b>(1,13,793)</b>
<b>Net increase / (Decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>(11,95,299)</b>		<b>2,00,423</b>
Add:				
<b>Cash and Cash equivalents at the beginning of the year (Note 15)</b>		<b>13,79,810</b>		<b>11,79,387</b>
<b>Cash and Cash equivalents at the end of the year (Note 15)</b>		<b>1,84,511</b>		<b>13,79,810</b>
<b>Cash And Cash equivalents comprise of :</b>				
Cash on hand		46,142		25,884
Cheques on hand		-		-
Balance With Bank		1,38,369		13,53,926
Total		1,84,511		13,79,810
As per our report of even date <b>For Ganesh Jagadeesh &amp; Co</b> Chartered Accountants Firm Registration No.115675W			For and on behalf of the Board of Directors <b>TBK Venkataramiah Tile Bath Kitchen Private Limited</b>	
<b>Vivek Hebbar</b> Partner Membership No. 111339 Mumbai, Dated : May 05, 2015		<b>Shiv Kumar Chitreddy</b> Director DIN - 06648429	<b>Ajit Singh</b> Director DIN - 06633198	

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note : 2 Share Capital**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Authorized</b>				
Equity Shares of Rs.10 each	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
<b>Issued &amp; Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10 each	10,000	-	10,000	1,00,000
	10,000	-	10,000	1,00,000
<b>Total</b>	<b>10000</b>	<b>-</b>	<b>10,000</b>	<b>1,00,000</b>

**Reconciliation of No of Shares outstanding and amount of Share Capital as at Mar 31, 2015**

Particulars	Equity Shares	
	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	1,00,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	10,000	1,00,000

**Details of Shareholders Holding More Than 5% Shares as on Mar 31, 2015**

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vasudev V	-	-	-	-
Geeta Vasudev	-	-	-	-
H & R Johnson (India) TBK Ltd	10,000	100	10,000	100

**Note : 3 Reserves & Surplus**

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount in Rs.	Amount in Rs.
<b>Surplus</b>		
Opening balance	(40,81,186)	(46,80,339)
(+) Net Profit/(Net Loss) For the current year	(28,11,951)	5,99,153
(+) Short Depreciation of Earlier Years	(17,387)	-
Closing Balance	(69,10,523)	(40,81,186)
<b>Total</b>	<b>(69,10,523)</b>	<b>(40,81,186)</b>

**Note : 4 Long Term Borrowings**

Particulars	As at March 31, 2015	As at March 31, 2014
	Amount in Rs.	Amount in Rs.
<b>Unsecured</b>		
Loans and advances from related parties	77,50,000	77,50,000
Repayment in 3 years		
<b>Total</b>	<b>77,50,000</b>	<b>77,50,000</b>



**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note : 5 Long Term Provisions**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
<b>Provision for employee benefits:</b>		
Gratuity (unfunded)	1,17,115	70,673
<b>Total</b>	<b>1,17,115</b>	<b>70,673</b>

**Note : 6 Trade Payables**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Trade Payables	15,54,626	21,37,219
<b>Total</b>	<b>15,54,626</b>	<b>21,37,219</b>

**Note : 7 Other Current Liabilities**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Interest accrued but not due on borrowings	24,31,189	24,31,189
<b>Others</b>		
Payable for Expenses	11,51,620	8,17,122
Payable for Taxes	64,685	3,74,709
Payable for Capital Expenses	74,840	74,840
Advance received from Customers	80,435	3,47,434
H&R Johnson India TBK Ltd - director		
<b>Total</b>	<b>38,02,769</b>	<b>40,45,294</b>

**Note : 9 Long Term Loans and Advances**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Unsecured, considered good		
Security Deposits	2,25,720	2,25,720
Advance Recoverable from government authorities	5,000	5,000
TDS Receivable	2,790	2,790
<b>Total</b>	<b>2,33,510</b>	<b>2,33,510</b>

**Note : 10 Inventories**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Stock-in-trade (Valued at lower of cost and estimated net realizable value)	18,14,781	23,76,731
<b>Total</b>	<b>18,14,781</b>	<b>23,76,731</b>

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note : 11 Trade Receivables**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	6,57,346	10,65,929
	<b>6,57,346</b>	<b>10,65,929</b>
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	4,92,473	7,23,350
	<b>4,92,473</b>	<b>7,23,350</b>
<b>Total</b>	<b>11,49,819</b>	<b>17,89,279</b>

**Note : 12 Cash & Cash Equivalents**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Balances with banks	1,38,369	13,53,926
Cash on hand	46,142	25,884
<b>Total</b>	<b>1,84,511</b>	<b>13,79,810</b>

**Note : 13 Short Term Loans and Advances**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
<b>Unsecured</b>		
Advance recoverable in cash or kind or for value to be received	-	-
Advance recoverable from government authorities	-	-
Prepaid Expenses	-	4,619
<b>Total</b>	<b>-</b>	<b>4,619</b>

**Note : 14 Other Current Assets**

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Amount in Rs.	Amount in Rs.
Accrued Income	2,32,000.00	2,32,000.00
<b>Total</b>	<b>2,32,000.00</b>	<b>2,32,000.00</b>

**TBK VENKATARAMIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 8 Fixed Assets**

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at April 1, 2014	Additions during the year	Deductions during the year	As at March 31, 2015	As at April 1, 2014	Additions during the year	Deductions during the year	Adjusments	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>TANGIBLE ASSETS</b>											
Computers & Peripherals	1,26,658	-	-	1,26,658	99,935	3,003	-	17,387	1,20,325	6,333	26,722
Furniture & Fittings	11,41,504	-	-	11,41,504	4,71,225	1,91,649	-	-	6,62,874	4,78,630	6,70,279
Leasehold Improvements	40,49,835	-	-	40,49,835	16,39,219	5,78,548	-	-	22,17,767	18,32,068	24,10,616
Office equipments	7,12,540	-	-	7,12,540	2,09,804	3,16,306	-	-	5,26,110	1,86,430	5,02,736
Generator	3,32,439	-	-	3,32,439	1,12,927	41,801	-	-	1,54,728	1,77,711	2,19,512
Electrical Fittings	2,58,291	-	-	2,58,291	89,048	51,048	-	-	1,40,096	1,18,195	1,69,243
<b>INTANGIBLE ASSETS</b>											
Software	86,000	-	-	86,000	79,056	6,944	-	-	86,000	-	6,944
<b>TOTAL</b>	<b>67,07,267</b>	<b>-</b>	<b>-</b>	<b>67,07,267</b>	<b>27,01,215</b>	<b>11,89,298</b>	<b>-</b>	<b>17,387</b>	<b>39,07,900</b>	<b>27,99,367</b>	<b>40,06,052</b>
Previous year	66,79,132	28,135	-	67,07,267	17,82,490	9,18,725	-	-	27,01,215	40,06,052	48,96,641

**TBK VENKATARAMAIAH TILE BATH KITCHEN PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 15 REVENUE FROM OPERATIONS**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
sale of products; other operating revenues;	1,92,38,868 12,315	2,47,35,635 5,37,808
<b>Total</b>	<b>1,92,51,184</b>	<b>2,52,73,443</b>

**Note 16 PURCHASES OF STOCK IN TRADE**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
Materials Purchases	1,69,99,448	2,19,99,922
<b>Total</b>	<b>1,69,99,448</b>	<b>2,19,99,922</b>

**Note 17 CHANGES IN INVENTORIES OF STOCK IN TRADE**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
Opening Traded Stock	23,76,731	27,35,787
Closing Traded Stock	18,14,781	23,76,731
(Increase) / Decrease in Stock	<b>5,61,951</b>	<b>3,59,056</b>

**Note 18 EMPLOYEE BENEFITS EXPENSES**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
Salaries and incentives & Gratuity	11,52,276	14,09,091
Staff welfare expenses	39,508	29,668
<b>Total</b>	<b>11,91,784</b>	<b>14,38,759</b>

**Note 19 FINANCE COSTS**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
Interest Expenses		9,53,508
<b>Total</b>	<b>-</b>	<b>9,53,508</b>

**Note 20 OTHER EXPENSES**

Particulars	2014-15	2013-14
	Amount in Rs.	Amount in Rs.
Rent	15,00,000	10,50,000
Rates & Taxes	79,750	41,007
Travelling & Other Incidental Expenses	60,640	83,477
Power & Fuel	26,000	22,644
Electricity Expenses	1,16,947	1,06,161
Printing & Stationery	8,481	11,118
Communication Expenses	62,332	61,230
Payment to Auditors - As Auditor	25,000	40,000
- For Other Services	20,500	32,298
- For reimbursement of Expenses	9,640	9,630
Legal, Professional & Consultancy Charges	19,000	-
Repairs to others	82,521	1,43,654
Advertisement Commission & Sales promotion	7,244	1,34,685
Miscellaneous Expenses	1,02,598	1,58,731
<b>Total</b>	<b>21,20,653</b>	<b>18,94,635</b>