

# B S R & Co. LLP

Chartered Accountants

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## Independent Auditors' Report

### To the Members of Tribhovandas Bhimji Zaveri (Bombay) Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Tribhovandas Bhimji Zaveri (Bombay) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, and the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub section 10 of Section 143 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.



## **Independent Auditors' Report (Continued)**

### **Tribhovandas Bhimji Zaveri (Bombay) Limited**

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.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2015, and its loss and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 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 standalone 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 31 March 2015 taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2015 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.



**Independent Auditors' Report (Continued)**

**Tribhovandas Bhimji Zaveri (Bombay) Limited**

- (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
  2. The Company did not have any long-term contracts including derivative contracts, requiring provisions under any act or accounting standard for any material foreseeable losses; and
  3. There were no amounts outstanding as on balance sheet date which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022



**Vijay Mathur**

*Partner*

Membership No: 046476

Mumbai  
2 May 2015

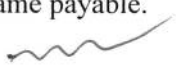
## Tribhovandas Bhimji Zaveri (Bombay) Limited

### Annexure to the Independent Auditors' Report - 31 March 2015

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of services. The activities of the Company do not involve sale of goods. In our opinion, and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Service tax, Custom duty, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Wealth tax, Excise duty and Sales tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Service tax, Customs duty, Cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.



## Tribhovandas Bhimji Zaveri (Bombay) Limited

Annexure to the Independent Auditors' Report - 31 March 2015  
(Continued)

- (b) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Customs duty and Cess which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:

Name of the Statute	Nature of dues	Amount (Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income tax	119,480	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	780,000	2011-12	Commissioner of Income Tax

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts which are required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) *In our opinion and according to the information and explanations given to us, the accumulated losses of the Company are more than fifty percent of the net worth of the Company. The Company has incurred cash losses during the financial year and in the immediately preceding financial year.*
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institution or debentures holders during the year.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co. LLP  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Vijay Mathur  
Partner

Membership No: 046476

Mumbai  
2 May 2015

# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Balance sheet

as at 31 March 2015

(Indian Rupees)

	Notes	31 March 2015	31 March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	502,000	502,000
Reserves and surplus	4	372,597	30,067,822
		<u>874,597</u>	<u>30,569,822</u>
<b>Non-current liabilities</b>			
Long-term provisions	5	6,500,904	4,726,374
		<u>6,500,904</u>	<u>4,726,374</u>
<b>Current liabilities</b>			
Short-term Borrowings	6	49,957,907	-
Trade payables	7	8,626,523	3,347,552
Other current liabilities	8	14,512,244	12,244,230
Short-term provisions	9	4,564,385	3,928,233
		<u>77,661,059</u>	<u>19,520,015</u>
<b>TOTAL</b>		<u><b>85,036,560</b></u>	<u><b>54,816,211</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	10		
Tangible assets		30,208,897	23,664,907
Intangible assets		1,665,814	880,188
		<u>31,874,711</u>	<u>24,545,095</u>
Non-current investments	11	517,575	517,575
Deferred tax assets (net)	12	5,447,200	5,447,200
Long-term loans and advances	13	14,749,447	11,656,273
		<u>20,714,222</u>	<u>17,621,048</u>
<b>Current assets</b>			
Inventories	14	298,973	179,416
Trade receivables	15	27,084,366	11,960,263
Cash and bank balance	16	4,706,494	32,752
Short-term loans and advances	17	357,794	477,637
		<u>32,447,627</u>	<u>12,650,068</u>
<b>TOTAL</b>		<u><b>85,036,560</b></u>	<u><b>54,816,211</b></u>
Significant accounting policies	2		
Notes to the financial statements	24-35		
The notes referred to above form an integral part of the financial statements			
As per our report of even date attached			

For BSR & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/ W-100022

Vijay Mathur  
Partner  
Membership No: 046476

Mumbai  
2 May 2015

For and on behalf of the Board of Directors of  
Tribhovandas Bhimji Zaveri (Bombay) Limited

Shrikant Zaveri  
Director

Raashi Zaveri  
Director

Mumbai  
2 May 2015

# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Statement of profit and loss

for the year ended 31 March 2015

(Indian Rupees)

	Notes	31 March 2015	31 March 2014
<b>INCOME</b>			
Revenue from operations	18	151,016,886	151,870,930
Other income	19	427,901	106,027
<b>Total revenue</b>		<b>151,444,787</b>	<b>151,976,957</b>
<b>EXPENSES</b>			
Changes in inventories of finished goods	20	-	53,734
Employee benefits	21	55,789,273	46,166,112
Finance costs	22	25,534	169,680
Depreciation and amortisation	10	2,842,394	3,531,266
Other expenses	23	128,537,932	110,076,820
<b>Total expenses</b>		<b>187,195,133</b>	<b>159,997,612</b>
<b>Profit before exceptional item and tax</b>		<b>(35,750,346)</b>	<b>(8,020,655)</b>
<b>Exceptional items</b>			
Reversal of excess depreciation in respect of earlier years (refer note 10)		6,055,121	-
<b>(Loss) before tax</b>		<b>(29,695,225)</b>	<b>(8,020,655)</b>
<b>Tax expense</b>			
- Deferred tax (credit)	12	-	(1,174,417)
- Provision for tax of earlier years		-	185,076
<b>Total tax expense</b>		<b>-</b>	<b>(989,341)</b>
<b>(Loss) for the year</b>		<b>(29,695,225)</b>	<b>(7,031,314)</b>
Earnings per equity share			
(Nominal value of share Rs.100 (31 March 2014: Rs. 100))			
Basic and diluted	31	(5,915.38)	(1,400.66)
Significant accounting policies			
Notes to the financial statements			
The notes referred to above form an integral part of the financial statements			
As per our report of even date attached			

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/ W-100022

**Vijay Mathur**

Partner

Membership No: 046476

Mumbai

2 May 2015

**For and on behalf of the Board of Directors of  
Tribhovandas Bhimji Zaveri (Bombay) Limited**



**Shrikant Zaveri**  
Director



**Raashi Zaveri**  
Director

Mumbai

2 May 2015



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Cash flow statement

for the year ended 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before tax	(29,695,225)	(8,020,655)
Adjustments for:		
Depreciation and amortisation	2,842,394	3,531,266
Finance Cost	25,534	169,680
Interest income on bank deposits	(27,275)	(3,209)
Dividend income	(20,185)	(101,495)
Provisions written back	(282,113)	-
Reversal of excess depreciation in respect of earlier years	(6,055,121)	-
(Profit)/loss on sale of assets	(98,328)	29,053
<b>Operating cash flow before working capital changes</b>	<b>(33,310,319)</b>	<b>(4,395,360)</b>
<b>Movements in working capital</b>		
Decrease/(increase) in trade receivables	(15,124,103)	19,428,832
Decrease/(increase) in Inventories	(119,557)	18,684
(Increase)/decrease in loans and advances	17,343	(64,753)
(Decrease)/increase in trade payables	5,561,083	(5,783,524)
(Decrease)/increase in current liabilities and provisions	4,678,697	(2,687,636)
<b>Cash (used in)/generated from operations</b>	<b>(38,296,856)</b>	<b>6,516,243</b>
Income taxes paid	(2,990,674)	(4,065,452)
<b>Net cash (used in)/generated from operating activities</b>	<b>(A) (41,287,530)</b>	<b>2,450,791</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(4,218,561)	(4,708,665)
Proceeds from sale of fixed assets	200,000	12,200
Interest received on deposits	27,275	3,209
Dividend received	20,185	101,495
<b>Net cash used in investing activities</b>	<b>(B) (3,971,101)</b>	<b>(4,591,761)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(25,534)	(169,680)
Proceeds from borrowings	49,957,907	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(C) 49,932,373</b>	<b>(169,680)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A+B+C) 4,673,742</b>	<b>(2,310,650)</b>
<b>Cash and cash equivalent at beginning of year (refer note below)</b>	<b>32,752</b>	<b>2,343,402</b>
<b>Cash and cash equivalent at end of year (refer note below)</b>	<b>4,706,494</b>	<b>32,752</b>

### Notes to cash flow statement

#### 1 Components of cash and cash equivalents:

Cash on hand	7,593	7,055
Balances with banks		
- on current accounts	818,480	25,697
- on margin accounts	3,880,421	-
	<b>4,706,494</b>	<b>32,752</b>

#### 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

**For BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/ W-100022

**Vijay Mathur**

Partner

Membership No: 046476

Mumbai

2 May 2015

**For and on behalf of the Board of Directors of  
Tribhovandas Bhimji Zaveri (Bombay) Limited**

**Shrikant Zaveri**  
Director

**Raashi Zaveri**  
Director

Mumbai  
2 May 2015



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements

for the year ended 31 March 2015

(Indian Rupees)

### 1 Company overview

Tribhovandas Bhimji Zaveri (Bombay) Limited ("the Company") was incorporated on 24 April 1986, in Mumbai. The Company has been converted to a public limited company w.e.f. 27 December 2010. The Company is involved in the business of goldsmiths, silversmiths, gem merchants and other related activities.

### 2 Significant accounting policies

#### 2.1 Basis of Preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Act and other accounting principles generally accepted in India, to the extent applicable.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

#### 2.3 Current -non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

An asset is classified as current when it satisfy any of the following criteria :

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded ;
- it is expected to be realised within 12 months after reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date .

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it is satisfy any of the following criteria:

- it is expected to be settled in the company's normal operating cycle
- it is held primarily for the purpose of being traded
- it is due to be settled within 12 months after the reporting date; or
- the company does not have as unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current

##### Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

#### 2.4 Fixed assets and depreciation / amortisation

##### Tangible Fixed Assets.

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of tangible 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.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on fixed assets has been provided using straight line method over its useful lives in compliance with Schedule II of Companies Act, 2013, where hitherto Written Down Value method was adopted. Pursuant to this policy, the management estimates the useful lives for the assets as follows:

Factory buildings	30 years
Plant and machinery	15 years
Computer equipment	3 years
Furniture and fixtures	10 years
Vehicles	8 years



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 2 Significant accounting policies (Continued)

#### 2.4 Fixed assets and depreciation / amortisation (Continued)

Effective 1 April 2014, the Company has changed the method of providing depreciation from written down value to straight line method. In management's view this change results in more appropriate presentation and gives a systematic basis of depreciation charge, in compliance with the useful lives as per Schedule II of Companies Act, 2013, representative of pattern of usage and economic benefits of the assets and provide greater consistency with the depreciation method used by other companies in the gems and jewellery industry. Accordingly, excess depreciation charged for earlier years upto 31 March 2014 aggregating Rs.6,055,121 has been written back and recognized as an exceptional item in the Statement of Profit and Loss for the year ended 31 March 2015. Had the Company continued to use the earlier method of depreciation:

Particulars	Year ended 31 March 2015 (Rs)
1. Depreciation charge for the year would have been higher by	984,504
2. Deferred tax expense would have been lower by	-
3. Net profit for the year would have been lower by	7,039,625

Depreciation for the year is recognised in the Statement of Profit and Loss.

#### Intangible Fixed Assets.

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of such assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. All costs relating to the acquisition are capitalised.

Intangible assets are amortised in statement of profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis over a period of five years.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

#### 2.5 Impairment of assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cashflows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### 2.6 Inventories

Inventories are carried at lower of cost and net realizable value. Cost is determined in case of gold and silver at weighted average cost. Cost of consumables are determined on first-in-first-out basis.

Cost comprises all cost of purchase, duties, taxes and all other costs incurred in bringing the inventory to their present location and condition.

#### 2.7 Revenue recognition

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

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognised when the right to receive payment is established.

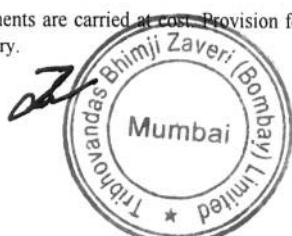
#### 2.8 Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the closing exchange rates. The resultant exchange differences are recognized in the statement of profit and loss.

#### 2.9 Investments

Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

## 2 Significant accounting policies (Continued)

### 2.10 Employee benefits

#### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### Post employee benefits

#### Defined contribution plans

Provident fund and Employees State Insurance

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contribution to a government administered schemes and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance at the prescribed rates. Provident fund and Employee State Insurance dues are recognized when the liability to contribute to the provident fund and employees state insurance arises under the respective Acts.

#### Defined benefit plans

#### Gratuity

The Company's gratuity benefit scheme is an unfunded defined benefit plan. Provision towards gratuity are provided on the basis of an independent actuarial valuation carried out at the end of the year using the projected unit credit method and are debited to the statement of profit and loss on an accrual basis. Actuarial gains and losses arising during the year are recognised in the statement of profit and loss.

#### Other long-term employee benefits

#### Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

### 2.11 Leases

Lease rentals in respect of assets acquired under operating lease are charged off to the profit and loss account on straight line basis.

### 2.12 Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Income-tax expense is recognised in profit or loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

### 2.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 2 Significant accounting policies (Continued)

#### 2.14 Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

as at 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>3 Share capital</b>		
<b>Authorised</b>		
10,000 (31 March 2014: 10,000) equity shares of Rs 100 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<b>Issued, subscribed and paid-up</b>		
5,020 (31 March 2014: 5,020) equity shares of Rs 100 each fully paid-up	502,000	502,000
	<u>502,000</u>	<u>502,000</u>

Note :

**a Reconciliation of the shares outstanding at the beginning and at the end of the year**

	31 March 2015		31 March 2014	
Equity Shares	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	5,020	502,000	5,020	502,000
At the end of the year	5,020	502,000	5,020	502,000

**b Details of shareholders holding more than 5% shares in the Company**

	31 March 2015		31 March 2014	
	% holding in class	No. of Shares	% holding in class	No. of Shares
Equity shares of Rs. 100 each fully paid-up				
Tribhovandas Bhimji Zaveri Limited and nominee	100%	5,020	100%	5,020

**c Terms / rights attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**d Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

	31 March 2015		31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 100 each fully paid-up held by				
Holding Company - Tribhovandas Bhimji Zaveri Limited and nominee	5,020	502,000	5,020	502,000
	<u>5,020</u>	<u>502,000</u>	<u>5,020</u>	<u>502,000</u>

## 4 Reserves and surplus

**i) Securities premium account**

At the commencement of the year	19,731,360	19,731,360
	<u>19,731,360</u>	<u>19,731,360</u>

**ii) Surplus/(Deficit) in Statement of profit and loss**

At the commencement of the year	10,336,462	17,367,776
(Loss) for the year	(29,695,225)	(7,031,314)
	<u>(19,358,763)</u>	<u>10,336,462</u>

**Total reserves and surplus**

31 March 2015

31 March 2014

372,597

30,067,822



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

as at 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>5 Long-term provisions</b>		
<b>Provision for employee benefits</b>		
- Provision for gratuity (refer note 25)	5,201,456	3,731,502
- Provision for compensated absences (refer note 25)	1,299,448	994,872
	<u>6,500,904</u>	<u>4,726,374</u>
<b>6 Short-term borrowings</b>		
<i>Secured</i>		
<b>Loans repayable on demand</b>		
Working capital demand loan from banks	49,957,907	-
	<u>49,957,907</u>	<u>-</u>
Working capital demand loan is repayable on demand with bullet repayment on maturity date and carry interest ranging from 4.5% to 10.50 % p.a. The loan is secured by first and exclusive hypothecation charge on all existing and future receivables /current assets of the Company. Further, the loan is secured by the corporate guarantee of Tribhovandas Bhimji Zaveri Limited, the holding company.		
<b>7 Trade payables</b>		
Due to		
Micro, Small and Medium Enterprises (refer note 26)	-	-
Other than Micro, Small and Medium Enterprises		
- due to related parties (refer note 33)	-	1,000
- due to others	8,626,523	3,346,552
	<u>8,626,523</u>	<u>3,347,552</u>
<b>8 Other current liabilities</b>		
<b>Other payables</b>		
- Provision for expenses	5,027,232	4,953,043
- Provision for employee benefits	8,448,563	4,140,018
- Statutory liabilities	1,036,449	770,573
- Book overdraft	-	2,380,596
	<u>14,512,244</u>	<u>12,244,230</u>
<b>9 Short-term provisions</b>		
<b>Provision for employee benefits</b>		
- Provision for gratuity (refer note 25)	1,538,446	1,081,040
- Provision for compensated absences (refer note 25)	3,025,939	2,847,193
	<u>4,564,385</u>	<u>3,928,233</u>





# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued) as at 31 March 2015

(Currency: Indian Rupees)

### 10 Fixed assets

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 1 April 2014	As at 31 March 2015	Deletions during the year	For the year	Deletions during the year	Adjustments during the year#	As at 31 March 2015	As at 31 March 2014
<b>Tangible Assets</b>								
Freehold land	2,437,840 (2,437,840)	2,437,840 (2,437,840)	-	-	-	-	2,437,840 (2,437,840)	2,437,840 (2,437,840)
Factory building	12,649,561 (12,649,561)	12,649,561 (12,649,561)	-	400,569 (731,095)	-	2,864,051	9,043,339 (6,579,857)	6,579,857 (7,310,952)
Plant and machinery	20,373,398 (17,497,488)	22,430,322 (20,373,398)	359,865 (100,986)	1,271,386 (2,067,879)	258,193 (59,734)	2,837,412	16,753,540 (12,872,397)	12,872,397 (12,004,632)
Furniture and fittings	4,302,415 (3,573,769)	4,386,790 (4,302,415)	-	412,241 (289,459)	-	433,620	1,451,343 (1,345,589)	1,345,589 (906,402)
Computers	1,796,385 (1,665,235)	2,207,010 (1,796,385)	-	242,019 (262,474)	-	(74,995)	522,835 (429,224)	429,224 (560,548)
Vehicles	26,114 (26,114)	26,114 (26,114)	-	-	-	-	-	-
<b>Sub Total</b>	<b>41,585,713</b> <b>(37,850,007)</b>	<b>44,137,637</b> <b>(41,585,713)</b>	<b>359,865</b> <b>(100,986)</b>	<b>2,326,215</b> <b>(3,350,907)</b>	<b>258,193</b> <b>(59,734)</b>	<b>6,060,088</b>	<b>30,208,897</b> <b>(23,664,907)</b>	<b>23,664,907</b> <b>(23,220,374)</b>
<b>Intangible Assets</b>								
Computer software	2,126,172 (1,254,199)	3,432,944 (2,126,172)	-	516,179 (180,359)	-	(4,967)	1,665,814 (880,188)	880,188 (188,574)
<b>Sub Total</b>	<b>2,126,172</b> <b>(1,254,199)</b>	<b>3,432,944</b> <b>(2,126,172)</b>	<b>-</b>	<b>516,179</b> <b>(180,359)</b>	<b>-</b>	<b>(4,967)</b>	<b>1,665,814</b> <b>(880,188)</b>	<b>880,188</b> <b>(188,574)</b>
<b>Total</b>	<b>43,711,885</b> <b>(39,104,206)</b>	<b>47,570,581</b> <b>(43,711,885)</b>	<b>359,865</b> <b>(100,986)</b>	<b>2,842,394</b> <b>(3,531,266)</b>	<b>258,193</b> <b>(59,734)</b>	<b>6,055,121</b>	<b>31,874,711</b> <b>(24,545,095)</b>	<b>24,545,095</b> <b>(23,408,948)</b>

#Adjustment amount pertains to reversal of excess depreciation in respect of earlier years, due to change in accounting policy (refer Significant accounting policies- 2.4).  
Figures in the brackets are the corresponding figures of the previous years.





# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

as at 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>11 Non-current investments</b>		
<b>Other investments (Cost):</b>		
- Investments in equity instruments (Quoted)		
17,300 (31 March 2014: 17,300) equity shares of Rs 10 each, fully paid-up of Dena Bank	506,025	506,025
- Investments in equity instruments (Unquoted)		
1,150 (31 March 2014: 1,150) equity shares of Rs.10 each, fully paid-up of Saraswat Co-operative Bank Ltd	11,550	11,550
	<u>517,575</u>	<u>517,575</u>
Aggregate book value of quoted non-current investment (Market Value Rs. 878,840, 31 March 2014: Rs.1,047,515)	506,025	506,025
Aggregate book value of unquoted non-current investment	11,550	11,550
<b>12 Deferred tax assets (net)</b>		
<i>Arising on account of timing difference in</i>		
<b>Deferred tax assets</b>		
- Provision for employee benefits	5,930,943	5,930,943
<b>Total deferred tax assets</b>	<u>5,930,943</u>	<u>5,930,943</u>
<b>Deferred tax liabilities</b>		
-Excess of depreciation/amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	(483,743)	(483,743)
<b>Total deferred tax liabilities</b>	<u>(483,743)</u>	<u>(483,743)</u>
<b>Net deferred tax assets</b>	<u>5,447,200</u>	<u>5,447,200</u>
<b>Net change in deferred tax assets</b>	<u>-</u>	<u>1,174,417</u>
<b>13 Long-term loans and advances</b> (Unsecured, considered good)		
<b>To related parties</b>		
- Security deposits (refer note 33)	5,400,000	5,400,000
<b>To parties other than related parties</b>		
- Security deposits	336,450	233,950
- Advance tax (net of provision for taxation Rs 19,248,804 (31 March 2014 : Rs 19,248,804))	9,012,997	6,022,323
	<u>14,749,447</u>	<u>11,656,273</u>
<b>14 Inventories</b> (valued at the lower of cost and net realisable value)		
Consumables	298,973	179,416
	<u>298,973</u>	<u>179,416</u>



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

as at 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>15 Trade receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured and considered good (refer note 33)	13,343	79,343
Other receivables		
- Unsecured and considered good (refer note 33)	27,071,023	11,880,920
	<u>27,084,366</u>	<u>11,960,263</u>
<b>16 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	7,593	7,055
Balances with banks		
- on current accounts	818,480	25,697
- on margin accounts	3,880,421	-
	<u>4,706,494</u>	<u>32,752</u>
<b>17 Short-term loans and advances</b> (Unsecured, considered good)		
<b>To parties other than related parties</b>		
- Other loans and advances		
Employee advances	28,750	93,119
Prepaid expenses	315,999	325,832
Advances to others	13,045	58,686
	<u>357,794</u>	<u>477,637</u>



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued) for the year ended 31 March 2015

(Indian Rupees)

	31 March 2015	31 March 2014
<b>18 Revenue from operations</b>		
Service income		
- Labour charges	144,692,222	147,397,417
- Melting and refining	4,573,192	3,486,223
- Repairing charges	1,751,472	987,290
	<b>151,016,886</b>	<b>151,870,930</b>
<b>19 Other income</b>		
Interest income on bank deposits	27,275	3,209
Dividend income	20,185	101,495
Net gain on sale of fixed assets	98,328	1,323
Liabilities no longer required written back	282,113	-
	<b>427,901</b>	<b>106,027</b>
<b>20 Changes in inventories of finished goods</b>		
Opening inventory		
- Finished goods	-	53,734
Closing inventory		
- Finished goods	-	-
	<b>-</b>	<b>53,734</b>
<b>21 Employee benefits</b>		
Salaries, wages and bonus	47,001,112	41,165,466
Contributions to provident and other funds (refer note 25)	2,686,199	2,104,083
Gratuity expenses (refer note 25)	2,620,885	606,837
Compensated absences (refer note 25)	1,824,918	996,614
Staff welfare expenses	1,656,159	1,293,112
	<b>55,789,273</b>	<b>46,166,112</b>
<b>22 Finance costs</b>		
Interest expenses	25,534	169,566
Other borrowing costs	-	114
	<b>25,534</b>	<b>169,680</b>
<b>23 Other expenses</b>		
Stores and spares consumed	54,447,373	52,772,053
Job work charges	44,403,571	31,461,514
Power and fuel	5,540,483	3,941,292
Rent, rates and taxes (refer note 27)	14,168,090	14,726,544
Repairs and maintenance:		
- Plant and machinery (refer note 28)	569,875	272,478
- Others	2,550,898	2,522,418
Insurance	68,964	69,087
Travelling and conveyance	213,535	226,697
Payment to auditors:		
- Statutory audit	786,520	786,518
- Out of pocket expenses	52,626	45,885
Legal and professional fees	723,313	761,674
Loss on sale of assets	-	30,376
Printing and stationery	396,830	333,984
Telephone and postage expenses	348,109	303,249
Security charges	1,776,651	630,200
Bank charges	235,169	12,033
Miscellaneous expenses	2,255,925	1,180,818
	<b>128,537,922</b>	<b>119,076,820</b>



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 24 Contingent liabilities and commitments

#### Contingent Liabilities

The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

#### Commitments

Contracts remaining to be executed on capital account and not provided for as at 31 March 2015 is Rs. Nil (31 March 2014 : Rs. 489,137) (net of advances)

### 25 Employee Benefits

#### a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which are defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and other funds for the year aggregated to Rs. 2,686,199 (31 March 2014: Rs. 2,104,083) which is shown under notes to financial statements 21 – 'Employee benefits'.

#### b) Defined benefit plans

I Change in Benefit Obligation	Gratuity (unfunded)	
	31 March 2015	31 March 2014
Liability at the beginning of the year	4,812,542	4,346,275
Interest cost	437,941	356,395
Current service cost	1,003,665	680,290
Benefit paid	(693,525)	(141,565)
Actuarial (gain) / loss on obligations	1,179,279	(428,853)
Liability at the end of the year	6,739,902	4,812,542
II Amount recognised in the balance sheet		
Liability at the end of the year	6,739,902	4,812,542
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	6,739,902	4,812,542
III Expenses recognised in the Statement of profit and loss		
Current service cost	1,003,665	680,290
Interest cost	437,941	356,395
Net actuarial (gain) / loss to be recognised	1,179,279	(428,853)
Expense recognised in profit and loss	2,620,885	607,832
IV Balance Sheet Reconciliation		
Opening net liability	4,812,542	4,346,275
Expense as above	2,620,885	607,832
Contribution paid	(693,525)	(141,565)
Amount recognised in balance sheet	6,739,902	4,812,542
V Principal Actuarial Assumptions		
Discount Rate per annum	7.85%	9.10%
Salary Escalation rate per annum	8.00%	8.00%
Mortality	Indian Assured	Indian Assured
	Lives Mortality (2006-08) Ultimate	Lives Mortality (2006-08) Ultimate
Employee Turnover rate	21.10%	16.13%



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 25 Employee Benefits (Continued)

#### b) Defined benefit plans (Continued)

Classification into current/non-current

	Gratuity (Unfunded)			
	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Gratuity	5,201,456	3,731,502	1,538,446	1,081,040.00
<b>Total</b>	<b>5,201,456</b>	<b>3,731,502</b>	<b>1,538,446</b>	<b>1,081,040.00</b>

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

Experience Adjustments	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011
Defined benefit obligation at end of the period	6,739,902	4,812,542	4,346,275	3,046,013	3,397,969
Plan assets at the end of the period	-	-	-	-	-
Funded status	(6,739,902)	(4,812,542)	(4,346,275)	(3,046,013)	(3,397,969)
Experience gain / (loss) adjustments on plan liabilities	(948,768)	(125,663)	(186,140)	529,631	(243,656)
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

#### c) Other long-term employee benefits

##### Compensated absences

The liability towards compensated absences (privilege leave) for the year ended 31 March 2015 based on actuarial valuation carried out by using Projected unit credit method resulted in increase in liability by Rs. 1,824,918 (31 March 2014: Rs. 996,614).

##### Annual leave assumptions

	31 March 2015	31 March 2014
Discount Rate per annum	7.85%	9.10%
Salary Escalation rate per annum	8.00%	8.00%
Mortality	Indian Assured Lives Mortality (2006 08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Turnover rate	21.10%	16.13%

### 26 Dues to Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprise.

On the basis of the information and records available with management, there are no dues to Micro, Small and Medium enterprises who have registered with the competent authorities.

Particulars	31 March 2015	31 March 2014
Principal amount and interest due thereon remaining unpaid to any supplier as at the year end	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 27 Leases

#### Operating lease as a Lessee

The Company has recognized the rent expenses in the books of accounts on straight line basis. Rental expenses under operating leases (including cancelable and non – cancelable) aggregating Rs. 10,800,000 (excluding service tax) (31 March 2014: Rs.10,800,000) have been included under "Other expenses - Rent, rates and taxes" under the notes to financial statement 23 in the statement of Profit and loss.

The future minimum lease payments in respect of non-cancellable operating leases as at 31 March 2015 are as follows -

Particulars	31 March 2015	31 March 2014
Amount due within one year from the balance sheet date	8,100,000	10,800,000
Amount due for the period after one year and before five years	-	8,100,000
Amount due for the period after five years	-	-
<b>Total</b>	<b>8,100,000</b>	<b>18,900,000</b>

### 28 Expenditure in foreign currency

Particulars	31 March 2015	31 March 2014
Repairs and maintenance	103,392	20,894
<b>Total</b>	<b>103,392</b>	<b>20,894</b>

### 29 Details of imported and indigenous raw materials consumed during the financial year

Particulars	Percentage		Amount	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Imported	2.80%	0.34%	1,522,160	181,637
Indigenously	97.20%	99.66%	52,925,213	52,590,416
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>54,447,373</b>	<b>52,772,053</b>

### 30 Value of imports calculated on CIF basis

Particulars	31 March 2015	31 March 2014
Stores and spares	1,522,160	181,637
Capital goods	624,960	1,820,330
<b>Total</b>	<b>2,147,120</b>	<b>2,001,967</b>

### 31 Earning per share (EPS)

Particulars	31 March 2015	31 March 2014
(Loss) after taxation	(29,695,225)	(7,031,314)
Weighted average number of equity shares	5,020	5,020
Basic and diluted (loss) per share (face value Rs 100 per share)	(5,915.38)	(1,400.66)

### 32 Segment reporting

The Company has only one reportable business of rendering labour service for manufacture of jewellery and only one reportable geographical segment which is India. Accordingly, the segment information as required by Accounting Standard 17 on "Segment Reporting" is not required to be disclosed.



# Tribhovandas Bhimji Zaveri (Bombay) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Indian Rupees)

### 33 Information on related party transactions as required by the Accounting Standard (AS) - 18 for the year ended 31 March 2015

#### I. Name of related parties

<b>Holding Company</b>
1 Tribhovandas Bhimji Zaveri Limited
<b>Key Managerial Personnel</b>
1 Shrikant G Zaveri, Director
2 Binaisha Zaveri, Director
3 Raashi Zaveri, Director
4 Mayur Choksi, Director
<b>Fellow subsidiaries</b>
1 Konfiaance Jewellery Private Limited

#### II. Details of related party transactions during the year ended 31 March 2015

Nature of Transaction	Holding Company	Key Managerial Personnel	Fellow subsidiaries
<b>Transactions during the year*</b>			
Service income	151,016,886 (151,870,930)	-	-
Rent paid	12,134,880 (12,134,880)	-	-
<b>Closing balances*</b>			
Security deposits	5,400,000 (5,400,000)	-	-
Trade receivables	27,084,366 (11,960,263)	-	-
Rent Payable	- (1,000)	-	-
Corporate guarantee**	50,000,000	-	-

\*Amounts pertaining to year ended 31 March 2014 are in bracket.

\*\* Tribhovandas Bhimji Zaveri Limited, the holding Company has issued corporate guarantee towards the borrowing from banks.

34 The management is of the opinion that the Company's domestic transactions are at an arms' length price so that the transfer pricing legislation will not have any impact on the financial statements, particularly on the tax expenses and that on provision for tax.

#### 35 Previous year figures

The figures of the previous year have been regrouped/ recast, where necessary, to conform to the current year classification.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/ W-100022

Vijay Mathur

Partner

Membership No: 046476

Mumbai

2 May 2015

For and on behalf of the Board of Directors of  
Tribhovandas Bhimji Zaveri (Bombay) Limited

Shrikant Zaveri  
Director

Raashi Zaveri  
Director

Mumbai  
2 May 2015