

DUCKBILL BOOKS AND PUBLICATIONS LIMITED
ANNUAL ACCOUNTS
2013-14

INDEPENDENT AUDITOR'S REPORT

V.V.S. Kumar & Co.,
Chartered Accountants

To the Members of Duckbill Books and Publications Limited

Report on the financial statements

1. We have audited the attached Balance Sheet of **Duckbill Books and Publications Limited** as at 31th March, 2014 the Statement of Profit and Loss Account and the cash flow statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

2. The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
4. 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - (c) in the case of cash flow statement, the cash flows for the year ended on that date.



Report on other legal and regulatory requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books;
 - The Balance Sheet, the Statement of Profit and Loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, the Statement of Profit and Loss account and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - On the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

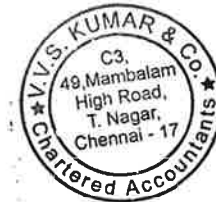
Place : Chennai

Date : 21/05/2014

for V.V.S KUMAR & Co.,

FRN: 001602S

Chartered Accountants



K.R.Sankara Raman

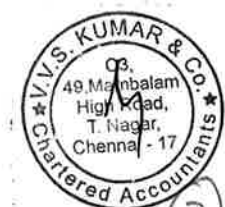
Partner

M.No.202709

Annexure to Independent Auditor's Report

Referred to in paragraph 7 of the Independent Auditor's Report of even date to the members of Duckbill Books and Publications Limited on the financial statements for the year ended 31st March 2014

- (i) In respect of its fixed assets:
- The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - All the assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.
 - According to the information and explanations gives to us, the company has not made any disposal of fixed assets during the year.
- (ii) In respect of its inventories:
- The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence we have nothing to comment on the paragraph 4(iii) of the Order.
- (iv) In our opinion and according to the information and explanation given to us, there exist adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
- In our opinion and according to the information and explanations given to us, that the particulars of all contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
 - In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5, 00,000 in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public
- (vii) In our opinion, the requirement of an internal audit system does not arise as the paid up capital and the average turnover of the company are below the prescribed limits.
- (viii) The Central Government has not prescribed the maintenance of the cost records by the company under section 209(1)(d) of the Companies Act, 1956 for its products.
- (ix) In respect of statutory dues:
- There were no statutory liabilities to be deposited with appropriate authorities.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty were in arrears, as at 31/03/2014 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute.
- (x) This company has incurred cash losses during the current financial year which is the first year of business operation. However, the company has been registered for a period less than five years.
- (xi) The Company has not taken any loan from financial institutions and banks and hence we have nothing to comment about the default in repayment.
- (xii) In our opinion and according to the information and explanations given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund/ nidhi/ mutual benefit fund/ society. Therefore, the provisions of paragraph 4(xiii) of the Order are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, the company is not dealing in shares, securities and debentures. Therefore, the provisions of paragraph 4(xiv) of the Order are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institution.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any term loans during the year under audit.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long-term investment.
- (xviii) The company has made preferential allotment of shares to parties covered in the register 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The company has not issued any secured debentures during the year.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

Place: Chennai

Date: 21/05/2014

For V.V.S Kumar & Co.,

FRN: 001602S

Chartered Accountants




K.R.Sankara Raman

Partner

M.No.202709

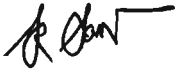
Duckbill Books and Publications Ltd

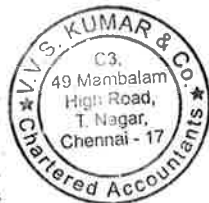
No.61, 2nd Floor Silverline Building
Alapakkam Main Road, Maduravoyal
Chennai

Balance Sheet as at 31-03-2014			Amount in Rs	
Particulars	Note No.	As at 31st March 2014	As at 31st March 2013	
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	2,551,050	500,050	
(b) Reserves and surplus	3	(663,949)	-	
2 Non-current liabilities				
(a) Other long-term liabilities		-	-	
3 Current liabilities				
(a) Trade payables	4	2,748,336	11,236	
(b) Other current liabilities	5	1,183,449	45,502	
(c) Short-term provisions		-	-	
TOTAL		5,818,886	556,788	
II. ASSETS				
1 Non-current assets				
(a) Fixed assets	6			
(i) Tangible assets		36,529	-	
(ii) Intangible assets		-	-	
(b) Long-term loans and advances		-	-	
2 Current assets				
(a) Inventories		3,250,077	-	
(b) Trade receivables	7	1,300,731	-	
(c) Cash and cash equivalents	8	207,815	33,652	
(d) Short-term loans and advances	9	1,023,734	523,136	
TOTAL		5,818,886	556,788	
		-	-	

Notes on Accounts**1 to 16****For and behalf of Board of Directors**

As per our report of even date
For V.V.S.Kumar & Co.,
Chartered Accountants
FRN:00162S


K.R.Sankara Raman
Partner
M.No.202709




Gautam Padmanabhan



S W Kamat

Place : Chennai
Date : 21/05/2014

Place : Mumbai
Date : 21/05/2014

Duckbill Books and Publications Ltd

No.61, 2nd Floor Silverline Building
Alapakkam Main Road, Maduravoyal
Chennai

Amount in Rs.

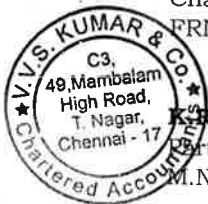
Profit & Loss A/c statement for the year ended 31st March, 2014

	Particulars	Note No.	Year ended 31st March 2014
I.	Revenue from Operations	10	3,100,352
II.	Other Income		-
III.	Total Revenue (I+II)		3,100,352
IV.	Expenses:		
	Purchases of Stock-in-Trade	11	5,093,944
	Changes in Stock-in-trade	12	(3,250,077)
	Employee benefits expense	13	2,484,900
	Finance costs		-
	Depreciation and amortization expense	6	4,506
	Other expenses	14	1,902,928
	Total Expenses		6,236,201
V	Profit before exceptional and extraordinary items and tax (III-IV)		(3,135,849)
VI.	Exceptional items		-
VII.	Profit before extraordinary items and tax (V - VI)		(3,135,849)
VIII.	Extraordinary Items		-
IX.	Profit before tax (VII- VIII)		(3,135,849)
X	Tax expense:		
	Current tax		-
	Deferred tax		-
	Total Tax Expenses		-
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		(3,135,849)
XV	Profit (Loss) for the period (XI + XIV)		(3,135,849)
	Earnings Per Share		
	- Basic & Diluted	15	(17.66)

For and behalf of Board of Directors

As per our report of even date
For V.V.S.Kumar & Co.,
Chartered Accountants
FRN:00162S

Gautam Padmanabhan
Gautam Padmanabhan



Sankara Raman
Sankara Raman
Partner
M.No.202709

S W Kamat
S W Kamat

Place : Chennai
Date : 21/05/2014

Place : Mumbai
Date : 21/05/2014

Duckbill Books and Publications Ltd
Cash Flow Statement

Amount in Rs.

Particulars	For the year ended	
	31st March 2014	
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax		(3,135,849)
<i>Adjustments for:</i>		
Depreciation and amortisation		4,506
Operating profit / (loss) before working capital changes		(3,131,343)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories		(3,250,077)
Trade receivables		(1,300,731)
Short-term loans and advances		(500,598)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables		2,737,100
Other current liabilities		1,137,947
Net cash flow from / (used in) operating activities (A)		(4,307,702)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances		(41,035)
Net cash flow from / (used in) investing activities (B)		(41,035)
C. Cash flow from financing activities		
Net Proceeds from issue of shares with premium		4,522,900
Net cash flow from / (used in) financing activities (C)		4,522,900
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		174,163
Cash and cash equivalents at the beginning of the year		33,652
Cash and cash equivalents at the end of the year		207,815
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and Cash Equivalents as per Balance Sheet		207,815
Cash and Cash Equivalents as per Cash Flow Statement		207,815


As per our report of even date
For V.V.S.Kumar & Co.,
Chartered Accountants
FRN:00162S



K.R.Sankara Raman
Partner
M.No.202709



For and behalf of Board of Directors



Gautam Padmanabhan



S W Kamat

Place : Chennai
Date : 21/05/2014

Place : Mumbai
Date : 21/05/2014

Note 2**SHARE CAPITAL**

Amount in Rs.

PARTICULARS	As at	As at
	31st March 2014	31st March 2013
AUTHORISED :- 2,60,000 Equity Shares of Re.10 each	2,600,000	1,250,000
ISSUED, SUBSCRIBED AND PAID UP : 2,55,105 Equity Shares of Re. 10/- each	2,551,050	500,050
TOTAL	2,551,050	500,050

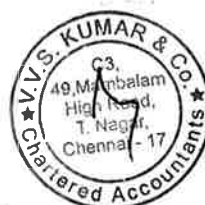
Details of Shares held by each share holder holding more than 5% shares	As at 31 March, 2014		As at 31 st March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sayoni Basu	66,327	26.000%	25,000	49.995%
Anushka Ravishankar	58,673	23.000%	25,000	49.995%
Westland Limited	130,100	51.000%	0	0.000%

Note 3**RESERVES AND SURPLUS**

PARTICULARS	As at	As at
	31st March 2014	31st March 2013
Share Premium Account		
Premium on Shares issued 130100 shares issued @ Rs.19 per share	2,471,900	-
Profit and Loss Account	(3,135,849)	-
TOTAL	(663,949)	-

Note 4**TRADE PAYABLES**

PARTICULARS	As at	As at
	31st March 2014	31st March 2013
Trade Creditors	1,009,676	-
Directors Remuneration payable	921,960	-
Provision for expenses	340,530	11,236
Provision for Royalty	476,170	-
TOTAL	2,748,336	11,236



Duckbill Books and Publications Ltd

Note 6

FIXED ASSETS

Assets	Gross Block					Depreciation			Amount in Rs.	
	As at 1st April 2013	Additions	Deletions / Adjustments	As at 31st Mar 2014	As at 1st April 2013	For the Period	On Deletion	As at 31st Mar 2014	Net Block As at 31st Mar 2014	Net Block As at 31st Mar 2013
Tangible Assets										
Office Equipment	-	41,035	-	41,035	-	4,506	-	4,506	36,529	-
Total	-	41,035	-	41,035	-	4,506	-	4,506	36,529	-



Note 5

OTHER CURRENT LIABILITIES

PARTICULARS	As at 31st March 2014	As at 31st March 2013
TDS Payable	170,303	-
Advance Received	1,013,146	45,502
TOTAL	1,183,449	45,502

Note 7

TRADE RECEIVABLES

PARTICULARS	As at 31st March 2014	As at 31st March 2013
<u>Unsecured & Considered Good</u>		
For a period exceeding six Months	420,277	0
Other Debts	880,454	0
TOTAL	1,300,731	-

Note 8

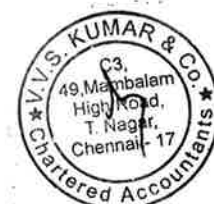
CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March 2014	As at 31st March 2013
Cash on hand	1,927	-
Balance with Scheduled Banks - In Current Accounts	205,888	33,652
TOTAL	207,815	33,652

Note 9

SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2014	As at 31st March 2013
<u>Un-Secured and considered Good</u>		
Royalty Advances	714,617	
Advance for Expenses	-	81,653
Prepaid Expenses	-	-
Preliminary Expenses	59,216	66,632
Pre-Operative Expenses	249,901	374,851
TOTAL	1,023,734	523,136



Note 10

REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March 2014
Sales	4,142,798
Less: Sales Return	(1,042,446)
Net Sales	3,100,352

Note 11

COST OF MATERIALS

Particulars	For the Year ended 31st March 2014
Book Production Expense	3,965,929
Editorial Expenses	387,213
C & F Charges	259,440
Freight Inward	5,192
Royalty	476,170
Total	5,093,944

Note 12

CHANGES IN INVENTORIES

Particulars	For the Year ended 31st March 2014
<u>Inventories at the end of the Period:</u>	
Stock-in-trade	3,250,077
	3,250,077
<u>Inventories at the beginning of the Period:</u>	
Stock-in-trade	-
	-
Net increase / (decrease)	3,250,077

Note 13

EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March 2014
Directors Remuneration	2,484,900
Total	2,484,900



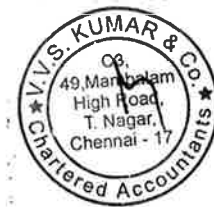
Note 14

OTHER EXPENSES

Particulars	For the Year ended 31st March 2014
Administrative Expenses	54,000
Advertisement, Newspaper & Print Media	256,550
Audit Fees (including service tax Rs.3090)	28,090
Broucher & Catalogue	113,510
Consultancy Charges	448,000
Event Expenses & Author Travel	198,592
General Expenses	35,720
Professional Charges	83,656
Preliminary Expenses Written off	14,804
Pre operative expenses Written off	124,950
Rates & Taxes	37,210
Rent	84,000
Travelling & Conveyance Expenses	292,665
Website Maintenance	131,181
Total	1,902,928

Note 15

Earnings per equity Shares - Basic & Diluted	As on 31st March 2014
Net Loss after Tax	-3,135,849
Number of Equity Shares	255,105
Weighted Average of equity shares	177,555
Basic & Diluted EPS	-17.66



DUCKBILL BOOKS AND PUBLICATIONS LTD

16.1 There being no taxable income for the current year no provision is made for taxation.

In accordance with the accounting standard 22 (As 22) "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax asset is Rs.NIL as on 01/04/2013 and the net deferred tax asset is Rs.9,63,232/- as on 31/03/2014. In view of the accounting policy with respect to deferred tax, since the net result being an asset the same has not been recognized in the books.

- 16.2 The company has not entered in to any type of hire purchase transactions.
 16.3 The company has not discounted any bill with the bank and also not availed Guarantee from the bank.
 16.4 Balance of Sundry Creditors, Sundry Debtors and Loans and Advances has not been confirmed.
 16.5 As per Accounting Standard-18 (AS-18) 'Related Party Disclosures' notified in the companies (Accounting Standards) Rules 2006, the disclosures of transaction with the related parties as defined in AS-18 are given below:

Name of the Party	Relationship	Nature of Transaction	Amount(Rs)
Westland Limited	Holding Company	Equity Shares Allotted	37,72,900 (incl premium of Rs.24,71,900)
		Sales	66,543
		Purchases	14,64,871
		Balance on 31/03/2014	Cr.12,24,545
Ms.Sayoni Basu	Key Management Personnel	Equity Shares Allotted	4,13,270
		Remuneration	12,42,450
		Balance on 31/03/2014	Cr.4,89,990
Ms.Anushka Ravishankar	Key Management Personnel	Equity Shares Allotted	3,36,730
		Remuneration	12,42,450
		Balance on 31/03/2014	Cr.4,31,970

16.6 Transactions in Foreign Currency

	2013-14	2012-13
	Rs.	Rs.
Value of Import	NIL	NIL
Expenditure in Foreign Currency	87,680	NIL
Earnings in Foreign Currency	NIL	NIL
Amount Remitted in Foreign Currencies for Dividend	NIL	NIL

16.7 There are no dues to micro small and medium enterprise Development act, 2006.

16.8 There is no previous year's figures for statement of profit and loss account as this is the first year of business operation.

For V.V.S.Kumar & Co.,
Chartered Accountants
FRN: 001602S



K.R.Sankara Raman
Partner
M.No.202709

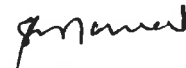
Place: Chennai
Date: 21/05/2014



For and on behalf of Board of Directors



Gautam Padmanabhan



S. W. Kamat
Place: Mumbai
Date: 21/05/2014

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31/03/2014

1. BUSINESS OVERVIEW

The Company, Duckbill Books and Publications Limited, was incorporated on 3rd September, 2012 in state of Tamilnadu. The Company is engaged in the business as a publishing house of books for children and young adults.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the Historical Cost convention on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (GAAP) in India and in compliance with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government, under section 211(3C) of the companies act 1956 and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

The preparation of financial statements in conformity with Indian GAAP required management to make estimates and assumptions that affect the reported amounts of Income and Expenses for the period, balances of Assets and Liabilities and disclosures relating to Contingent liabilities as of the date of financial statements.

2.2. SIGNIFICANT ACCOUNTING POLICIES

1. Fixed Assets:

Fixed assets are stated at their original cost including freight, duties, taxes and other incidental expenses related to acquisition and installation.

2. Depreciation:

Depreciation on Fixed Assets is provided on Written Down Value Method in accordance with and at rates specified in Schedule XIV of the Companies Act, 1956.

3. Income and Expenses

Income and Expenses are shown in statement of account on accrual basis by adopting normally accepted accounting principles.

4. Miscellaneous Expenses

Preliminary Expenses

Preliminary expenses is written off over a period of 5 years from the year in which the company commences its business activity.

Pre operative Expenses

Pre operative expenses is written off over a period of 3 years from the year in which the company commences its business activity.

5. Inventory:

Stocks of Raw Material, Stores and Consumables are valued at Cost. Finished Goods are stated at Cost or Net Realizable Value whichever is lower.

6. Foreign Currency Transactions:

Transaction in foreign currencies is accounted for at exchange rates prevailing on the dates of the transactions. Receivable / Payable in foreign currencies are translated at the exchange rate ruling at the Balance Sheet Date. Gains and losses arising out of variations in exchange rates are adjusted in the profit and loss account.

7. Income from Investments:

Income from Investments is accounted for on accrual basis and tax deducted at source thereon is paid.

8. Taxation

Current Tax: Provision for Income Tax is determined in accordance with the Provisions of Income Tax Act, 1961.

Deferred Tax: Deferred tax is recognized on timing difference between the Taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available

