

INDEPENDENT AUDITOR'S REPORT

To The Members of **BUDGE BUDGE FLOOR COVERINGS LIMITED,**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **BUDGE BUDGE FLOOR COVERINGS LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss, and Cash Flow Statement for the year then ended, and a summary of 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 Section 134(5) 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.

Auditor's 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 Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation 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 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.

BUDGE BUDGE FLOOR COVERINGS LTD.



Page 1 of 4

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 March 31, 2015 and its loss and its cash flow 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 terms of Section 143) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable to the Company.
2. As required by section 143 (3) of the Act, we report that:
 - 2.1. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 2.2. In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books.
 - 2.3. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of the account.
 - 2.4. In our opinion, the 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.
 - 2.5. On the basis of written representations received from the directors, as on 31st March, 2015 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2015 from being appointed as Director in terms of Section 164(2) of the Act.
 - 2.6. 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.18 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A L P S & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E




(A.K. Khetawat)
Partner
M. No. 52751

Kolkata
Dated: 5th day of May, 2015

BUDGE BUDGE FLOOR COVERINGS LTD.

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company of even date)

1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The management has physically verified its fixed assets at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification.

2 (a) The inventories have been physically verified by the management during the year at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification were not material.

3 The Company has not granted any secured or unsecured loans to companies, firm and other parties covered in the register maintained under section 189 of the Act and therefore provisions on clauses 3(iii) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the sale of services. There has been no purchase of inventory and fixed assets and sale of goods during the year. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

5. During the year, the Company has not accepted any deposits and therefore provisions on clause 3(v) of the Order are not applicable to the Company.

6. As informed to us, the Company has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act to maintain the Cost records.

7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities. According to information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues which were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating Rs. 4.14 lakhs that have not been deposited on account of matters pending before appropriate authorities are as under:

Nature of Statute	Nature of Dues	Amount (in INR)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty & Cenvat	349,018 & 64,955	July, 2003	Central Excise Service Tax Appellate Tribunal

(c) According to the records of the Company, the Company has not any unpaid amount payable to the Investors Education and Protection Fund and therefore provisions on clauses 3(vii)(c) of the Order is not applicable to the Company.



8. The Company has accumulated losses at the end of financial year, which exceeds 50% of its net worth. The Company has incurred cash losses in current year however no cash loss was incurred in immediately preceding financial year.
9. According to the information and explanations given to us and audit in accordance with generally accepted auditing practices, in our opinion, the Company has not defaulted in repayment of dues to banks. The Company has no dues to financial institutions and debenture holders during the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
11. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not taken any term loans during the year.
12. In our opinion and according to information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

For ALPS & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E



(A.K.Khetawat)
Partner
M.No. 52751



Kolkata
Dated: 5th day of May, 2015

BUDGE BUDGE FLOORCOVERINGS LIMITED
BALANCE SHEET as at 31st March 2015

Particulars	Note	Amount in ₹	
		As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUND			
Share Capital	2.1	400,00,000	400,00,000
Reserves and Surplus	2.2	(229,19,672)	(199,27,913)
		<u>170,80,328</u>	<u>200,72,087</u>
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	2.3	2,117,427	25,11,242
Other Long-Term Liabilities	2.4	64,261	64,261
Long-Term Provisions	2.5	72,026	71,479
		<u>22,53,714</u>	<u>26,46,982</u>
CURRENT LIABILITIES			
Trade Payables	2.6	12,835	18,892
Other Current Liabilities	2.7	20,331	20,331
Short-Term Provisions	2.5	21,237	20,983
		<u>54,403</u>	<u>60,206</u>
TOTAL		<u><u>193,88,445</u></u>	<u><u>227,79,275</u></u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets			
	2.8	110,99,728	129,29,778
		<u>110,99,728</u>	<u>129,29,778</u>
Long-Term Loans and Advances	2.9	27,79,842	24,60,969
		<u>27,79,842</u>	<u>24,60,969</u>
CURRENT ASSETS			
Current Investments	2.10	6,28,821	11,46,903
Inventories	2.11	43,21,897	49,39,311
Cash and Bank Balances	2.12	4,87,133	4,54,690
Short-Term Loans and Advances	2.9	71,024	8,47,624
		<u>55,08,875</u>	<u>73,88,528</u>
TOTAL		<u><u>193,88,445</u></u>	<u><u>227,79,275</u></u>

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

For ALPS & CO.

Chartered Accountants



A.K. Khetawat


Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001

The 5th day of May 2015

Directors



BUDGE BUDGE FLOORCOVERINGS LIMITED
STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2015

Amount in ₹

Particulars	Note	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Revenue from Operations	2.13	8,64,000	8,64,000
Less: Excise duty		-	-
		8,64,000	8,64,000
Other income	2.14	7,99,041	2,81,406
Total Revenue		16,63,041	11,45,406
Expenses:			
Materials Consumed	2.15	5,91,774	5,91,774
Other Expenses	2.16	26,26,791	3,83,718
Total		32,18,565	975,492
Profit before Tax, Depreciation & Amortisation		(15,55,524)	1,69,914
Depreciation and Amortization Expense	2.17	9,49,703	11,98,713
Loss before Tax		25,05,227	10,28,799
Tax Expense:			
Current Tax		-	-
Deferred Tax		3,93,815	96,855
Loss for the year		21,11,412	9,31,944
Earnings Per Share [nominal value ₹. 10 /-]			
Weighted Average Number of Ordinary Shares outstanding during the year		40,00,000	40,00,000
Basic and Diluted Earning Per Share		(0.53)	(0.23)

Significant Accounting Policies

1

The accompanying Notes form an integral part of the Financial Statements

For ALPS & CO.

Chartered Accountants



A.K. Khetawat

Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001

The 5 th day of May 2015





Directors

BUDGE BUDGE FLOORCOVERINGS LTD.

STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2015

a. Equity Share Capital

Balance at the beginning of the reporting period Balance	Changes in equity share capital during the year	Balance at the end of the reporting period
400,00,000	-	400,00,000

b. Other Equity

	Balance at the beginning of the reporting period	Changes in accounting policy /prior period errors	Restated balance at the beginning of the reporting period	Total Comprehensive Income for the year	Dividends	Transfer to retained earnings	Any other change (to be specified)	Balance at the end of the reporting period
(i) Equity component of other financial instruments	-	-	-	-	-	-	-	-
(ii) Retained Earnings	(199,27,913)		-	(21,11,412)	-	(8,80,347)	-	(229,19,672)
(iii) Reserves								
1.1 Reserves representing unrealised gains/losses								
Debt instruments through Other Comprehensive Income	-	-	-	-	-	-	-	-
Equity Instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
Re-valuation Surplus	-	-	-	-	-	-	-	-
Remeasurements of the net defined benefit Plans	-	-	-	-	-	-	-	-
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
1.2 Other Reserves :								
General Reserve	-	-	-	-	-	-	-	-
1.2 Other Reserves :								
Capital Reserve	-	-	-	-	-	-	-	-
(iii) Total Reserves	-	-	-	-	-	-	-	-
(iv) Money received against share warrants	-	-	-	-	-	-	-	-
(v) Others	-	-	-	-	-	-	-	-

The accompanying Notes form an integral part of the Financial Statements

For ALPS & CO.
Chartered Accountants

A.K. Khatawat
A.K. Khatawat
Partner
Membership No-052751
2, Lal Bazar Street,
Kolkata - 700 001
The 5 th day of May 2015



Punjabi
G. Chatterjee
Chatterjee

Directors

BUDGE BUDGE FLOORCOVERINGS LTD.
Cash Flow Statement for the year ended 31st. March-2015

Amount in ₹

	For the Year 31st March, 2015	For the Year 31st March, 2014
A. Cash Flow from Operating Activities		
Profit / (Loss) Before Tax	(25,05,227)	(10,28,799)
<u>Adjustments for :</u>		
Depreciation	9,49,703	11,98,713
Profit on Sale of Current Investment	(3,85,059)	-
Operating Profit before Working Capital Changes	(19,40,583)	1,69,914
<u>Adjustment for :</u>		
Inventories	6,17,414	6,17,414
Loans & Advances	457,727	(365,968)
Trade payable & other liabilities	(5,256)	(69,875)
Cash generated from operations	10,69,885	181,571
Net Cash from Operating Activities	(870,698)	3,51,485
B. Cash Flow from Investing Activities		
Sale of Current Investment	903,141	-
Net Increase in Cash and Cash Equivalents	32,443	351,485
Cash and Cash Equivalents (Opening Balances)	4,54,690	103,205
Cash and Cash Equivalents (Closing Balances)	<u>4,87,133</u>	<u>4,54,690</u>

Notes

- a. Above statement has been prepared in indirect method.
b. Cash and Cash Equivalents represents: " Cash Balance in hand and Balances with Scheduled Banks".
c. Figures for the previous year have been re-grouped wherever considered necessary

For ALPS & CO.

Chartered Accountants



A.K. Khetawat

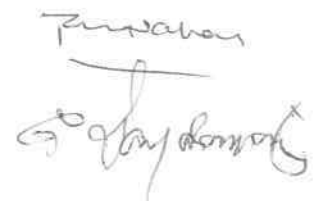
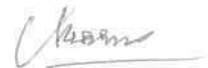
Partner

Membership No-052751

2, Lal Bazar Street,

Kolkata - 700 001

The 5 th day of May 2015

Directors



BUDGE BUDGE FLOOR COVERINGS LIMITED

Notes to Financial Statements for the year ended 31st March 2015

1. Significant Accounting Policies

1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

The financial statements had been prepared and presented as per the requirement of Schedule III as notified under Companies Act, 2013

1.2 Use of Estimates

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialised.

1.3 Fixed Assets

Tangible Fixed Assets

Fixed Assets, other than those which have been revalued, are stated at their original cost which includes expenditure incurred in the acquisition and construction/installation and other related expenses. In respect of qualifying assets as defined by Accounting Standard 16, related pre-operational expenses including borrowing cost are also capitalised and included in the cost. Claims in respect of capital assets are adjusted as and when settled.

1.4 Depreciation

- a) Depreciation on fixed assets is provided on straight-line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Companies Act except in certain class of assets where depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers which the management believes that the useful lives of the assets best represent the period over which the management expects to use those assets.

1.5 Investments

- a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
The portion of long term investments expected to be realised within twelve months after the reporting date are disclosed under current investments as per the requirement of Schedule III.
- b) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.
- c) Long Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary.
- d) Current Investments, other than the portion of long term investments disclosed under current investments, are stated at lower of cost or fair value.



BUDGE BUDGE FLOOR COVERINGS LIMITED

Notes to Financial Statements for the year ended 31st March 2015

1.6 Inventories

- a) Inventories are valued at Cost or Net Realisable Value, whichever is lower. Cost comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on weighted average basis. Net Realisable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

1.7 Employee Benefits

- a) Employee benefits of short term nature are recognized as expense as and when it accrues.
- b) Employee benefits of long term nature are recognized as expense based on actuarial valuation using projected unit credit method.
- c) Post employment benefits in the nature of Defined Contribution Plans are recognized as expense as and when it accrues and that in the nature of Defined Benefit Plans are recognized as expenses based on actuarial valuation using projected unit credit methods.
- d) Actuarial gains and losses are recognized immediately in the Profit & Loss Account as income or expense.
- e) Expenditure incurred on Voluntary Retirement Scheme is charged to Profit & Loss Account immediately.

1.8 Recognition of Revenue and Expenses

- a) All revenue and expenses are accounted for on accrual basis except as otherwise stated.
- b) Gross Sales are inclusive of excise duty and net of returns, claims and discount etc.
- c) Export benefit entitlements to the Company under the EXIM/Foreign Trade Policy is recognised in the year of exports on accrual basis.

1.9 Taxation

Provision for Current Income Tax is made in accordance with the Income Tax Act, 1961. The deferred tax charge or credit is recognised using substantively enacted tax rates subject to consideration of prudence on timing differences between book and tax profits.

1.10 Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in earlier accounting period is reversed if there has been an improvement in recoverable amount.

1.11 Provisions

Provisions are recognised where reliable estimate can be made for probable outflow of resources to settle the present obligation as a result of past event and the same is reviewed at each Balance Sheet date.

1.12 Contingent Liabilities

Contingent Liabilities are not provided for and are disclosed separately.

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BUDGE BUDGE FLOORCOVERINGS LIMITED

Note annexed to and forming part of Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date.

		Amount in ₹	
		As at 31st March, 2015	As at 31st March, 2014
NOTE 2.1 : SHARE CAPITAL			
Authorised			
20,000,000	Ordinary Shares of ₹10/- each	2000,00,000	2000,00,000
		<u>2000,00,000</u>	<u>2000,00,000</u>
Issued			
4,000,000	Ordinary Shares of ₹10/- each	400,00,000	400,00,000
Subscribed and Paid-up			
4,000,000	Ordinary Shares of ₹10/- each fully paid-up	400,00,000	400,00,000
		<u>400,00,000</u>	<u>400,00,000</u>

The company has only one class of issued shares i.e. ordinary shares having par value of ₹10 per share. Each holder of ordinary shares is entitled to one vote per share and equal right for dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amount, in proportion to their shareholding.

There has been no change/movements in number of shares outstanding at the beginning and at the end of the reporting period and therefore no reconciliation is required.

All ordinary shares of the company are being held by Birla Corporation Ltd- the Holding Company and its nominees.

No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.

No shares have been allotted or has been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

No convertible securities has been issued by the company during the year.

No calls are unpaid by any Director and Officer of the Company during the year.

NOTE 2.2 : RESERVES & SURPLUS

Surplus/ (Deficit)

As per last Financial Statements	(199,27,913)	(189,95,969)
Add : Loss for the year	(21,11,412)	(9,31,944)
Less : Transfer of Depreciation on Assets	(8,80,347)	-
Net Surplus / (Deficit) in the Statement of Profit and Loss	<u>(229,19,672)</u>	<u>(199,27,913)</u>

NOTE 2.3 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities		
Arising on account of : Depreciation	21,17,427	25,11,242
	<u>21,17,427</u>	<u>25,11,242</u>

NOTE 2.4 : OTHER LONG TERM LIABILITIES

Trade Payables		
For Services	27,000	27,000
	<u>27,000</u>	<u>27,000</u>
Other Liabilities		
Trade Deposits	37,261	37,261
	<u>64,261</u>	<u>64,261</u>

NOTE 2.5 : PROVISIONS

	Long-term		Short-term	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
For Employee Benefits	72,026	71,479	21,237	20,983
	<u>72,026</u>	<u>71,479</u>	<u>21,237</u>	<u>20,983</u>

NOTE 2.6 : TRADE PAYABLES

For Services	12,835	18,892
	<u>12,835</u>	<u>18,892</u>

NOTE 2.7 : OTHER CURRENT LIABILITIES

Other Payables

For Statutory Dues		
For Employees related Liability	20,331	20,331
	<u>20,331</u>	<u>20,331</u>



(Signature)

NOTE 2.8 : TANGIBLE ASSETS

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Cost / Value as at 31st March, 2014	Addition During the Year Purchases	Adjustment due change in class of Assets in view of applicability of Schedule-II of Companies Act, 2013	Cost / Value as at 31st March, 2015	Upto 31st March, 2015	Provided during the year	Adjustment due change in class of Assets in view of applicability of Schedule-II of Companies Act, 2013	Transferred to retained Earning	Upto 31st March, 2015	As at 31st March 2015	As at 31st March 2014
Buildings	209,18,972	-	-	209,18,972	124,64,966	6,09,163 *	-	-	130,74,129	78,44,843	84,54,006
Plant & Equipments	374,00,408	-	(20,58,299)	353,42,109	330,16,456	3,24,132	(18,74,373)	8,76,780	323,42,995	29,99,114	43,83,952
Electrical Machinery	-	-	20,58,299	20,58,299	-	16,408	1874373	3,567	18,94,348	1,63,951	-
Furniture & Fixtures	5,80,225	-	-	5,80,225	5,51,207	-	-	-	5,51,207	29,018	29,018
Office Equipment	7,26,110	-	-	7,26,110	6,63,308	-	-	-	6,63,308	62,802	62,802
Total :	596,25,715	-	-	596,25,715	466,95,937	9,49,703	-	8,80,347	485,25,987	110,99,728	129,29,778
Previous Year :	596,25,715	-	-	596,25,715	454,97,224	11,98,713	-	-	466,95,937	-	-

Effective April 1, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charged for the year ended March 31, 2015, is lower by Rs 1,40,640/- (net of Deferred Tax Rs.62891/-)

* Remaining useful lives of Building, which are not depreciated fully on April 1, 2014, has been estimated from 12-19 years.



BUDGE BUDGE FLOORCOVERINGS LIMITED

Note annexed to and forming part of Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date

	Long-term		Short-term	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
NOTE 2.9 : LOANS & ADVANCES				
Loan & Advances (Unsecured, Considered good)				
To Related Parties				
Holding Company	-	-	-	777,600
	-	-	-	777,600
Other Advances recoverable in cash or kind				
Unsecured, considered good	25,68,667	21,63,394	59,024	58,024
	25,68,667	21,63,394	59,024	58,024
Other Loans and Advances (Unsecured, Considered good)				
Advance Tax (including TDS) (Net of provisions)	1,97,278	2,83,678	-	-
Prepaid Expenses	-	-	12,000	12,000
Advance to Employees	3,625	3,625	-	-
Balances with Government & Statutory Authorities	10,272	10,272	-	-
	2,11,175	2,97,575	12,000	12,000
Total (A + B + C + D + E)	27,79,842	24,60,969	71,024	8,47,624
NOTE 2.10 : CURRENT INVESTMENTS				
Non-Trade, Unquoted				
UNITS IN MUTUAL FUNDS-UNQUOTED				
Units				
NIL - Reliance Liquid Fund-Treasury Plan-Retail Option -Growth				
Option (LF-GP)- Growth Plan (PY- 624.50)				
			-	1,15,288
617.49 Reliance Money Manager Fund-Retail Option-Growth Plan				
(LP-RG)(PY-1001.14)				
			6,28,821	10,31,615
			6,28,821	11,46,903
NOTE 2.11 : INVENTORIES				
(As valued and certified by the Management)				
Raw Materials			41,42,418	47,34,192
Stores and Spares etc.			1,79,479	2,05,119
			43,21,897	49,39,311
NOTE 2.12 : CASH AND BANK BALANCES				
Cash and Cash Equivalents				
Balances With Banks			4,86,105	4,54,606
Cash on hand			1,028	84
			4,87,133	4,54,690



BUDGE BUDGE FLOORCOVERINGS LIMITED

Note annexed to and forming part of Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date

	For the year ended	
	31st March, 2015	31st March, 2014
NOTE 2.13 : REVENUE FROM OPERATIONS		
Other Operating Revenues		
License Fees	8,64,000	864,000
	<u>8,64,000</u>	<u>864,000</u>
NOTE 2.14 : OTHER INCOME		
Interest Income		
Other than Banks - On Deposits, etc	9,510	-
Net gain/ (loss) on sale of Investments		
Net gain/ (loss) on sale of current Investments	3,85,059	-
Other Non Operating Income		
Employees Benefits	4,04,472	2,79,569
Excess Liabilities and Unclaimed Balances written back	-	1,837
	<u>7,99,041</u>	<u>2,81,406</u>
NOTE 2.15 : COST OF MATERIALS CONSUMED		
Raw Material Consumed		
Opening Inventories	47,34,192	53,25,966
Add : Purchase	-	-
	<u>47,34,192</u>	<u>53,25,966</u>
Less: Sale of Stock	-	-
Less: Closing Inventories	41,42,418	47,34,192
	<u>5,91,774</u>	<u>5,91,774</u>
NOTE 2.16 : OTHER EXPENSES		
SELLING, ADMINISTRATION AND OTHER EXPENSES		
Insurance	52,353	52,362
Rates & Taxes	18,850	23,850
Loss on sale of Store/ Spares / Raw Material	25,640	25,640
Auditors' Remuneration -		
Statutory Auditors -		
Audit Fees	14,045	14,045
Other Expenses		
Legal Charges	24,26,033	2,32,877
Other Expenses	89,870	34,944
	<u>26,26,791</u>	<u>3,83,718</u>
NOTE 2.17 : DEPRECIATION		
On Tangible Assets	9,49,703	11,98,713
	<u>9,49,703</u>	<u>11,98,713</u>



63

BUDGE BUDGE FLOOR COVERINGS LIMITED

Amount in ₹

	As at 31st March,2015	As at 31st March,2014
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2.18 Contingent Liabilities not provided for in respect of:

- | | | | |
|----|---|----------|----------|
| i | Excise duty under dispute : Claim for remission of Excise duty on fire damaged Linoleum is pending before Tribunal. | 4,13,973 | 4,13,973 |
| ii | An Appeal has been filed by the Company, before The Division Bench of Hon'ble Calcutta High Court, for award against the Company in respect of Suspension of Work and settlement of charter of demand made by the workers. The Division Bench of Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage. | | |

2.19 The Company has not made any payments to Micro, Small and Medium Enterprises (MSMEs) as defined in the Micro, Small, Medium Enterprises Development Act, 2006, within the appointed date during the year and there are no MSMEs to whom the Company owes dues on account of principal amount together with interest at the Balance Sheet date, hence no additional disclosures have been made. The above information and that given in "Other Long Term Liabilities - Note 2.4", "Trade Payables - Note 2.6" and "Other Current Liabilities - Note - 2.7" as above regarding MSMEs has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.20 The Company operates in single segment, therefore, Segment Reporting as per AS-17 is not required.

2.21 The operations of the Company are under "Suspension" since 29th October, 2003.

2.22 In accordance with the revised Accounting Standards 15, i.e Employee Benefits, the requisite disclosures are as under:-

a) The amount recognised as an expenses for Defined Contribution Plan are as under:

	<u>2014-2015</u>	<u>2013-2014</u>
Pension Fund	-	-
Superannuation Fund	-	-

b) In respect of Defined Benefit Plans, necessary disclosures are as under:

(i) Benefits are of the following types:

- Every Employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act-1972.
- Pension is payable to certain categories of employees as per Company's Pension Scheme.
- Provident Fund (other than Government Administered) as per the provisions of Employees Provident Fund & Miscellaneous Provisions Act-1952

(ii) The amounts recognised in the balance sheet are as follows:

	<u>Gratuity</u>	
	<u>2014-2015</u>	<u>2013-2014</u>
Present value of funded obligations	31,37,802	27,32,415
Fair value of plan assets	57,06,469	48,95,809
	<u>(25,68,667)</u>	<u>(21,63,394)</u>
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Net liability	-	-
Amounts in the balance sheet:		
Liabilities		
Assets	25,68,667	21,63,394
Net assets	<u>25,68,667</u>	<u>21,63,394</u>

a) There is no reimbursement right at the Balance Sheet date.

b) Fair value of plan assets does not include any amount for Companies own financial instruments or any property occupied by, or other assets used by, the Company.



12

BUDGE BUDGE FLOOR COVERINGS LIMITED

Amount in ₹

	As at 31st March,2015	As at 31st March,2014
(iii) The amounts recognised in the profit and loss account are as follow:		
Current service cost	1,25,209	1,25,400
Interest on obligation	2,34,809	2,68,656
Expected Return on plan assets	(5,89,599)	(6,38,440)
Expected Return on any reimbursement right recognised as an asse	-	-
Net actuarial losses/(gains) recognised during the year	(1,75,692)	(35,185)
Past Service Cost	-	-
Losses/(gains) on curtailments and settlements	-	-
Total	(405,273)	(279,569)
Actual return on plan assets	5,89,599	6,38,440
(iv) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:		
Opening defined benefit obligation	27,32,415	32,37,727
Service cost	1,25,209	1,25,400
Interest cost	2,34,809	2,68,656
Actuarial losses/(gains)	1,06,750	(4,20,930)
Losses/(gains) on curtailments		
Liabilities extinguished on settlements	-	-
Benefits paid	(61,381)	(4,78,438)
Closing defined benefit obligation	31,37,802	27,32,415
(v) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:		
Liabilities extinguished on settlements	-	-
Opening fair value of plan assets	48,95,809	51,21,553
Expected return	5,89,599	6,38,440
Actuarial gains/(losses)	2,82,442	(3,85,746)
Contribution by employer	-	-
Benefits paid	(61,381)	(4,78,438)
Closing fair value of plan assets	57,06,469	48,95,809

a) Amount not recognised as an asset, because of the limit prescribed in Accounting Standard - 15 (Revised 2005) i.e. Employee Benefits is ₹. 21,85,483/- (Previous Year-₹. 25,35,551/-).




BUDGE BUDGE FLOOR COVERINGS LIMITED

Amount in ₹

	<u>As at 31st March,2015</u>	<u>As at 31st March,2014</u>
(vi) The major categories of plan assets as a percentage of total plan assets are as follows:		
Qualifying insurance policy	100%	100%
(vii) Principal actuarial assumptions at the balance sheet date are as follows:		
Discount rate at 31st March	8.00% p.a.	9.00% p.a.
Expected return on plan assets at 31st March	8.00% p.a.	8.00% p.a.
Mortality Rate	LIC (1994-96) ultimate	LIC (1994-96) ultimate
Salary escalation	5.00%	5.00%
Withdrawal rate		2% to 1% depending on age
(viii) The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's Actuary.		
(ix) The 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.		
(x) The Company expect not to contribute any amount to its gratuity fund in 2015-16.		
(xi) In respect of Provident Funds in the nature of defined benefits plan, the contributions to those provident funds amounting to Rs. Nil during the year (Previous Year Rs.Nil) is recognised as expense.		

2.23 As defined in Accounting Standard - 18, the Company has related party relationship in nature of control with its holding company namely Birla Corporation Limited since 26-05-2006 and during the year the company has entered into following transactions with Birla Corporation Limited:-

	<u>For the year ended 31st March,2015</u>	<u>For the year ended 31st March,2014</u>
	<u>Holding Company</u>	<u>Holding Company</u>
Sale of Goods & Services	864.000	864.000
Purchase of Goods & Services	-	-
Advances Received	486.469	88.691
Refund of Advances Received	486.469	88.691
Advances Paid	-	-
Refund of Advances Paid	-	-
Balance outstanding at year end	As at 31st March,2015	As at 31st March,2014
Receivable	-	7.77.600

2.24 Previous year figures have been re-arranged and re-grouped where ever necessary

For ALPS & CO.
Chartered Accountants


A.K. Khetawat
Partner
Membership No-052751
2, Lal Bazar Street,
Kolkata - 700 001






Directors

The 5 th day of May 2015

