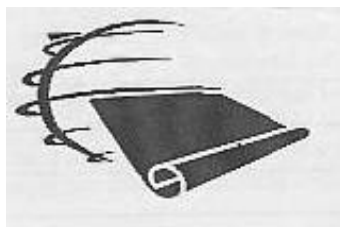


**40TH
ANNUAL REPORT
2014-15**



BIRLA TRANSASIA CARPETS LIMITED
AN ISO 9001:2008 COMPANY

BIRLA TRANSASIA CARPETS LIMITED

BOARD OF DIRECTORS:

Mr. Arun Singhi
Mr. Purushottam Sharma
Mr. Raminder Singh Juneja
Mr. Satyanarayan Baheti
Mr. Harish Kori
Mr. Varindra Kumar

Director
Director
Director (resigned)
Additional Director (Appointed w.e.f. 29th May, 2015)
Additional Director (Appointed w.e.f. 29th May, 2015)
Manager

BANKERS

ICICI BANK Ltd.
Punjab National Bank

REGD. OFFICE & WORKS

Plot No. 3 & 4, Industrial Area, Sikandrabad – 203205
Dist – Bulandshahar (U.P.)

HEAD OFFICE

2/11, Dariyaganj, 2nd Floor, Ansari Road, New Delhi – 110002

CORPORATE OFFICE

Dalamal House, First Floor, Nariman Point, Mumbai- 400021

STOCK EXCHANGE

Delhi Stock Exchange Association Ltd.
3/1, Asaf Ali Road, Near Turkman Gate, New Delhi – 110002

Bombay Stock Exchange Ltd.
Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

REGISTRAR & TRANSFER AGENTS:

Purva Shareregistry India Pvt. Ltd.
9, Shivshakti Industrial Estate, Lower Parel East, Mumbai – 400011

CORPORATE IDENTITY NUMBER:

L17222UP1972PLC004772

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Go Green Today

As "going green" becomes a global priority, your Company welcomes and supports the Green Initiative taken by the Ministry of Corporate Affairs permitting service of notice/ documents by Companies to its members through electronic mode. The above initiative will go a long way as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

Members are requested to co-operate in helping the Company to implement the 'Green initiative' of the Government by updating their email addresses with their respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 40th Annual General Meeting of **BIRLA TRANSASIA CARPETS LIMITED** will be held on **Wednesday, 30th September, 2015 at 10.00 a.m.** at the registered office of the Company at **Plot No. 3 & 4, Industrial Area, Sikrandrabad, Dist. Bulandshahar, Uttar Pradesh - 203205**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Purushottam Sharma (DIN: 00015707), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any of the Companies Act, 2013, M/s. LKM & Co., Chartered Accountants, Mumbai (Firm Registration Number: 126823W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting for five (5) consecutive years for a term upto the conclusion of the 45th Annual General Meeting to be held in 2020 (subject to ratification of their appointment by the Members of the Company at every subsequent Annual General Meeting) on such remuneration as may be decided by the Board of Directors of the Company and reimbursement of out of pocket expenses incurred in connection with the audit.”

SPECIAL BUSINESS:**4. APPOINTMENT OF MR. VARINDRA KUMAR AS MANAGER OF THE COMPANY.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 203, 197 and all other applicable provisions, if any, of the Companies Act, 2013, (the “Act”) read with Schedule V as amended from time to time and any statutory modifications or enactment thereof and all guidelines for managerial remuneration issued by the Central Government from time to time and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Varindra Kumar as Manager of the Company w.e.f. 29th May, 2015 for a period of three years on the remuneration and perquisites and terms and conditions as set out in the Agreement entered into between the Company and Mr. Varindra Kumar.

RESOLVED FURTHER THAT subject to the limits prescribed from time to time under Section 197 of the Act and in Section I and Section II of Part II of Schedule V of the Companies Act, 2013 and the conditions prescribed therein, the remuneration payable shall be paid to Mr. Varindra Kumar as minimum remuneration, notwithstanding that in any financial year of the Company during the term of his office as such, the Company may have made no profits or inadequate profits.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review, revise, increase or enhance the remuneration, perquisites and benefits to be paid or provided to Mr. Varindra Kumar (including minimum remuneration) in accordance with the relevant provisions in the Act and/or the rules and regulations made thereunder and/or relaxation or revision in the Guidelines for Managerial Remuneration as may be made and/or announced by the Central Government from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps and to do all such acts, deeds matters and things as may be necessary, expedient or desirable to give effect to the above resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT Mr. Satyanarayan Baheti, (DIN: 06933453) who was appointed as an Additional Director with effect from 29th May, 2015 on the Board of the Company pursuant to section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing in accordance with section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-

enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 to hold office for five (5) consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2020."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** Mr. Harish M. Kori, (DIN: 07139454) who was appointed as an Additional Director with effect from 29th May, 2015 on the Board of the Company pursuant to section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing in accordance with section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 to hold office for five (5) consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2020."

7. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 5 and 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors

Place: Bulandshahar
Dated: 29th May, 2015

Arun Singhi
Director

Purushottam Sharma
Director

NOTES

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Company has notified closure of Register of Members and Share Transfer Books from 26th September, 2015 to 30th September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. Purva Shareregistry (India) Private Limited.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Purva Shareregistry (India) Private Limited., for consolidation into a single folio.

10. *Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.*
11. *Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.*
12. *The Annual Report for the year 2014-15 of the Company circulated to the members of the Company will be made available on the Company's website at www.btcllybg.com and also on the website of the stock exchanges.*

1. The details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting are furnished below:-

Name of the Director	Mr. Purushotam Sharma	Mr. Satyanarayan Baheti	Mr. Harish M. Kori
Date of Appointment as Director	13-04-2006	29-05-2015	29-05-2015
Expertise in specific functional areas	Industrial Management	Management Consultant	Marketing
Qualification	Matriculation	B.Com	B.Com

2. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - a. NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Polling Paper"
- III. The members who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2015 (9:00 am) and ends on 29th September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - a. NOTE: The "remote e-voting" end time shall be 5:00 p.m. on the date preceding the date of general meeting and the cut-off date shall not be earlier than 7 days before the date of general meeting.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder - Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of "Name of the company".
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
---	-----------------------	----------------------------
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
 However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Roy Jacob & Co., Practicing Company Secretary (CP no.8220) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Polling Paper".
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

By order of the Board of Directors

Place: Bulandshahar
Dated: 29th May, 2015

Arun Singhi
Director

Purushottam Sharma
Director

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No: 4

APPOINTMENT OF MR. VARINDRA KUMAR AS MANAGER OF THE COMPANY

The Board of Directors of the Company at its meeting held on 29th May, 2015 has on recommendation of the Remuneration Committee and subject to the approval of the members and any other regulatory authorities, as may be required unanimously appointed Mr. Varindra Kumar, as a Manager of the Company for a period of three years w.e.f, 29th May, 2015 on the terms and conditions including the terms as to remuneration and perquisites as set out in the Agreement entered into between the Company and Mr. Varindra Kumar, extracts of which are provided hereunder:

BRIEF RESUME OF THE APPOINTEE:

1. **Name:** Mr. Varindra Kumar
2. **Age:** 46 years
3. **Qualification:** B.A Economics Hons., Diploma in Marketing Management.
4. **Experience:** Mr. Varindra Kumar has vast experience of over 17 years in the area of Finance and Marketing.
5. **Chairman/Membership of Committees of other Companies :** Nil
6. **Number of Shares held in the Company:** Nil

The terms and conditions of his appointment are as under:

1. **Period of appointment:** 3 years i.e 29th May, 2015 to 28th May, 2018.
2. **Nature of Duties:** As Manager, Mr. Varindra Kumar shall be responsible for the Company's business affairs as entrusted to him subject to the superintendence, control and directions of the Board of Directors.
3. **Details of Remuneration:**
 - (a) Consolidated Remuneration: Rs. 8,88,000 p.a.,
 - (b) The company's contribution to provident fund and superannuation fund or annuity fund, gratuity payment as per company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites.
 - (c) The Manager shall be entitled to reimbursement of all expenses which may be incurred by him on behalf of the Company or in connection with the business of the Company including travel expenses.

The remuneration payable as stated above and all other terms and conditions of the above appointment have been approved by the remuneration committee. In the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Varindra Kumar as Manager of the Company, the remuneration as stated above will be paid as minimum remuneration pursuant to 197 of the Act and in Section I and Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

4. **Other Terms:**

- (a) The Agreement may be terminated by either party by giving to the other party one months' notice in writing.
- (b) The Manager may be removed from office for breach of duty or breach of trust.
- (c) The Manager may be re-appointed for a further period not exceeding three years provided such reappointment shall not be sanctioned earlier than two years from the date on which it is to come into force.
- (d) The Manager so long as he functions as such shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.
- (e) The Board of Directors of the Company is authorised to alter and vary the above terms of appointment in such manner as may be agreed between the Company and acceptable Mr. Varindra Kumar.

The Agreement entered into between the Company and Mr. Varindra Kumar shall be available for inspection at the Registered Office of the Company on any working day between 10 a.m. to 6 p.m. till Wednesday, 30th September, 2015.

Except Mr. Varindra Kumar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 4.

Item No: 5

Mr. Satyanarayan Baheti was appointed as an Additional Director w.e.f. 29th May, 2015, pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act') and the Article of Association of the Company.

Accordingly, in terms of the provisions of Section 161 of the Act, Mr. Satyanarayan Baheti would hold office up to the date of the ensuing Annual General Meeting and is eligible for appointment as an Independent Director for five (5) consecutive years with effect from 30th September, 2015 for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2020. The Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company as required under the provision of Section 160 of the Act.

Given his background and knowledge, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and commends his appointment by the members at the Annual General Meeting as an Independent Director.

Except Mr. Satyanarayan Baheti, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 5.

Item No: 6

Mr. Harish M. Kori was appointed as an Additional Director w.e.f. 29th May, 2015, pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act') and the Article of Association of the Company.

Accordingly, in terms of the provisions of Section 161 of the Act, Mr. Harish M. Kori would hold office up to the date of the ensuing Annual General Meeting and is eligible for appointment as an Independent Director for five (5) consecutive years with effect from 30th September, 2015 for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2020. The Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company as required under the provision of Section 160 of the Act.

Given his background and knowledge, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and commends his appointment by the members at the Annual General Meeting as an Independent Director.

Except Mr. Harish M. Kori, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 6.

Item No: 7

The existing Articles of Association (AOA) of the Company is based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the new Companies Act, 2013.

Hence, with the new Companies Act, 2013 coming into force and considering most of the Sections under the Companies Act, 2013 been notified by the Ministry of Corporate Affairs, it is considered expedient to replace the existing AOA by adopting new set of AOA. Provisions of the existing AOA which are already part of statute in the Act have not been reproduced in the new draft AOA to avoid duplication.

As per provisions of Section 14 of the Companies Act, 2013, a Company cannot, except with the permission of the members alter its Articles of Association. Shareholders' approval is therefore sought to adopt new set of Articles of Association of the Company by substitution of the existing Articles of Association of the Company.

A copy of draft of new Articles of association of the Company is available for inspection of the shareholders at the Company Registered Office on any working day except Saturday & Sunday between 10.am to 4.00 p.m. upto 30th September, 2015.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7.

By order of the Board of Directors

Place: Bulandshahar
Dated: 29th May, 2015

Arun Singhi
Director

Purushottam Sharma
Director

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 40th Annual Report on the operations of the Company together with the Audited Statement of Accounts for the financial year ended on March 31, 2015.

1. FINANCIAL RESULTS

(Amt in Rs)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Net Sales and other Income	22,338,238	22,651,690
Total Expenditure	30,853,536	33,327,352
Profit/ (Loss) before interest, depreciation & prior period adjustment	(8,515,298)	(10,675,662)
Interest	2,754,580	2,755,845
Depreciation	3,816,122	3,723,183
Prior Period Adjustments	0.00	0.00
Net Profit/ (Loss) before Tax	(15,086,000)	(17,154,690)
Provision for FBT	0.00	0.00
Net Profit/ (Loss) after tax	(15,086,000)	(17,154,690)

2. OPERATIONS

During the year the Company has achieved net sales of Rs. 2.23 Crores as against Rs. 2.27 Crores in the previous year. The Company has incurred a net loss of Rs. 1.51 Crores during the year as against loss of Rs. 1.72 Crores in the previous year.

During the period under review, the Company has produced 18944 square meters of carpets and sold 26548 square meter of carpets.

Owing to rationalization of work force and implementing measures for rehabilitation, the Company could achieve improved performance. On completion of restructuring and grant of relief package as proposed by the Company to BIFR, OA and concerned parties the performance is expected to further improve.

3. REFERENCE BEFORE BIFR

The Company pursuant to the directives of BIFR, New Delhi in last hearing had submitted comprehensive proposal rehabilitation seeking need based relief and concessions for expeditious revival of the Company. Punjab National Bank the Operating Agency has discussed the proposal in Joint meeting and forwarded its report that on conversion of Inter Corporate Deposits into equity and on grant of relief and concession, the Company's net worth is expected to be positive on implementation of the rehabilitation of the rehabilitation scheme.

4. DIVIDEND

In view of accumulated losses suffered by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2015.

5. AUDITORS**Statutory Auditors**

M/s. LKM & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Members are requested to re-appoint M/s. LKM & Co., Chartered Accountants as the Statutory Auditors of the Company.