



**SHEETAL AND ASSOCIATES**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**M/s CENTURY MDF LIMITED**

We have audited the accompanying financial statements of **M/s CENTURY MDF LTD.**, which comprises the Balance Sheet as at 31<sup>st</sup> March 2014, and Cash flow statement for the year then ended of the company for the year ended, and a summary of significant accounting policies and other explanatory information.

1. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, 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. 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.
2. 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.
3. 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 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.
4. We believe that the audit evidence we have obtained is sufficient and to provide a basis for our audit opinion.
5. As required by the Companies (Auditor's Report) order 2003 issued in terms of Section 227 (4A) of the Companies Act, 1956, does not applicable to this company.
6. As required by section 227(3) of the Act, we report that:
  - a) 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;

- b) 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
- c) The Balance Sheet and Cash Flow statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) 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 Companies Act, 1956 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.
- g) In our opinion and to the best of our information and according to the explanations given to us, the 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:
- i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
  - ii. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

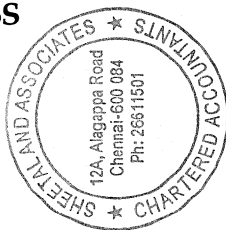
**FOR SHEETAL AND ASSOCIATES.,  
CHARTERED ACCOUNTANTS.,  
FIRM REGD NO : 012536S**

  
**[SHEETAL KUMAR]  
PARTNER**

**M.NO : 206950**

**PLACE : CHENNAI**

**DATED: 10<sup>th</sup> April 2014**



# **CENTURY MDF LIMITED**

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

### **1. BASIS OF PREPARATION:**

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the applicable mandatory Accounting Standards issued by The Institute of Chartered Accountants of India.

### **1.1 SIGNIFICANT ACCOUNTING POLICIES**

#### **a. Tangible Fixed Assets:**

Fixed Assets are stated at their cost of acquisition or construction or revalued amount (net of cenvat, where ever applicable) less accumulated depreciation/amortisation and impairment loss, if any. Cost comprises the purchase price, installation and attributable cost of bringing the asset to its working condition for its intended use.

#### **b. Capital Work In Progress:**

Capital work in progress is carried at cost comprising direct cost and pre-operatives expense during construction period to be allocated to the fixed assets on the completion of construction.

#### **c. Intangible Assets**

Intangible asset are recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The amortisable amount of an intangible asset is allocated over its estimated useful life.

#### **d. Depreciation/ amortisation:**

Depreciation on Fixed Assets is charged on Written Down Value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Leasehold assets are amortized on the basis of their useful life or remaining lease period, whichever is lower.

#### **e. Impairment**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

#### **f. Investments:**

Current Investments are stated at lower of cost and market/fair value. Long-term investments are stated at cost after deducting provision made for permanent diminution in value.

## **CENTURY MDF LIMITED**

**j. Borrowing Costs:**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

**k. Research and development expenditure:**

Revenue expenditure is charged to the profit and loss account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

**l. Deferred tax :**

Deferred Tax for timing difference between the book profit and tax profits is accounted for, by using the tax rates and losses that have been enacted or substantially enacted as on the balance sheet date. Deferred Tax assets are recognized to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

**p. Provision and Contingent Liabilities:**


Provisions for contingencies are recognized in respect of present obligation arising out of past events where there are reliable estimate of probable outflows of resource. Contingent liabilities are the possible obligation of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

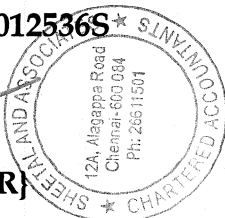
**CENTURY MDF LIMITED**  
**# 6 , Lyons Range, Kolkata - 700 001**  
**BALANCE SHEET AS AT 31.03.2014**

		NOTES	Amt In.Rs. 31.03.2014	Amt In.Rs. 31.03.2013
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
	Shareholder's Funds			
	Share Capital	2	30,00,000	5,00,000
	Reserves & Surplus		-	-
			30,00,000	5,00,000
	Non Current Liabilities		-	-
	Current Liabilities			
	Short Term Borrowings	3	-	20,70,645
	Other Current Liabilities	4	30,337	2,49,140
			30,337	23,19,785
	<b>TOTAL</b>		<b>30,30,337</b>	<b>28,19,785</b>
<b>B</b>	<b>ASSETS</b>			
	Non Current Assets			
	Fixed Assets		-	-
	Long term Loans and Advances	5	-	-
	Other Non Current Assets	6	26,88,359	26,22,753
	Current Assets			
	Cash and Bank Balances	7	3,41,978	1,92,782
	Short Term Loans and Advances	5	-	4,250
	Other Current Assets	6	-	-
	<b>TOTAL</b>		<b>30,30,337</b>	<b>28,19,785</b>
	Summary of significant accounting Policies	1.1		

The accompanying notes are an integral part of the financial statements  
As per our Report of even Date

For SHEETAL AND ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
**FIRM REGD NO : 012536S**

  
**{SHEETAL KUMAR}**  
**PARTNER**  
**MEMB NO : 206950**  
**PLACE : CHENNAI**  
**DATE : 10th April 2014**



For CENTURY MDF LIMITED

**{SAJJAN BHAJANKA}**  
**DIRECTOR**



**{VISHNU KHEMANI}**  
**DIRECTOR**

# CENTURY MDF LIMITED

# 6, Lyons Range, Kolkata - 700 001

## CASH FLOW STATEMENT FOR THE YEAR ENDING 31.03.2014

		Amt in Rs. 31st March 2014
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
	Net Profit before Tax	-
	<b>Adjustments for :</b>	
	Pre - Operative expenses	(59,700.00)
	Preliminary expenses	-
	<b>Operating Profit before Working Capital changes</b>	<b>(59,700.00)</b>
	<b>Adjustments for :</b>	
	(Increase) in Trade Receivables	-
	(Increase) in Loans & Advances and Other Assets	-
	(Increase) in Inventories	-
	Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(27,838.00)
	<b>Cash Generated from Operations</b>	<b>(87,538.00)</b>
	Direct Taxes Paid (Net of Refunds)	-
	<b>Net Cash generated from Operating Activities</b>	<b>(87,538.00)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
	Purchase of Fixed Assets	-
	Sale of Fixed Assets	-
	Purchase of Investments	-
	Sale of Investments	-
	Share Application Money (Given)/Refund	-
	Loans (Given)/Refund (Net)	-
	<b>Net Cash used in Investing Activities</b>	<b>-</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
	Issue of Shares	25,00,000.00
	Proceeds from Borrowings	-
	Repayment of Loans	(22,63,265.75)
	<b>Net Cash used in Financing Activities</b>	<b>2,36,734.25</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,49,196.25</b>
	Cash and Cash Equivalents as on 1st April, 2013	1,92,781.75
	Cash and Cash Equivalents as on 31st March, 2014	3,41,978.00

As per our Report of even Date

For SHEETAL AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGD NO : 012536S

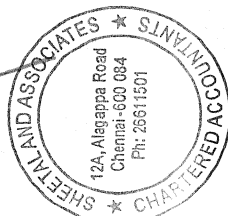
For CENTURY MDF LTD

  
{SHEETAL KUMAR}  
PARTNER

MEMB NO : 206950

PLACE : CHENNAI

DATE : 10th April 2014



{SAJJAN BHAJANKA}  
DIRECTOR

  
{VISHNU KHEMANI}  
DIRECTOR

# CENTURY MDF LIMITED

Notes to Financial Statements for the year ended 31.03.14

	Amt In.Rs.	Amt In.Rs.
	31.03.2014	31.03.2013
<b>2 Share Capital</b>		
<b>Authorised Share Capital</b>		
3,00,000(50,000) Equity Shares of Re. 10/- each	30,00,000	5,00,000
<b>Issued, Subscribed &amp; Paid- up Share Capital</b>		
3,00,000(50,000) Equity Shares of Re. 10/- each	30,00,000	5,00,000
	<b>30,00,000</b>	<b>5,00,000</b>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	31st March'2014		31st March'2013	
	No.of Shares	Amt (Rs.)	No.of Shares	Amt (Rs.)
At the Beginning of the period	50,000	5,00,000	-	-
Issued during the period	2,50,000	25,00,000	50,000	5,00,000
<b>Outstanding at the end of the period</b>	<b>3,00,000</b>	<b>30,00,000</b>	<b>50,000</b>	<b>5,00,000</b>

**b) Terms/Rights attached to the Equity Shares**

The company has only one class of equity shares having par value of Re10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of Shareholders holding more than 5% shares in the company**

Eq.Sh of Re 10/- each fully paid-up	31st March'2014		31st March'2013	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Century Plyboards (I) Limited	3,00,000	100%	50,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

For SHEETAL AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGD No. 012536S

SHEETAL KUMAR  
PARTNER  
Memb. No: 206950

For CENTURY MDF LIMITED

Director

3 Short Term Borrowings	Amt In Rs.	
	31.03.2014	31.03.2013
Loans from other parties (Unsecured)		
- From Bodies Corporate	-	20,70,645
<b>Total Amount</b>	-	<b>20,70,645</b>
The above amount includes:		
Secured Borrowings	-	-
Unsecured Borrowings	-	20,70,645
<b>Note:</b> Unsecured Loan from Bodies corporate is repayable on demand and carries Nil interest.		

4 Other Current Liabilities	Amt In Rs.	
	31.03.2014	31.03.2013
Other Liabilities		
Statutory Dues Payable	-	27,838
Expenses Payable	30,337	2,21,302
	<b>30,337</b>	<b>2,49,140</b>

5 Loan and Advances	Non Current		Current	
	Amt In Rs.		Amt In Rs.	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Advances recoverable in cash or kind				
Unsecured- Considered Good	-	-	-	4,250
	-	-	-	<b>4,250</b>

6 Other Assets	Non Current		Current	
	Amt In Rs.		Amt In Rs.	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Unsecured, Considered Good , unless stated otherwise				
Unamortized Expenditure	26,88,359	26,22,753		
	<b>26,88,359</b>	<b>26,22,753</b>	-	-

7 Cash and Bank Balances	Non Current		Current	
	Amt In Rs.		Amt In Rs.	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Balances with Banks				
On Current accounts	-	-	3,41,978	1,07,292
Cash on hand	-	-	-	85,490
	-	-	<b>3,41,978</b>	<b>1,92,782</b>

For SHEETAL AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. No: 012536S

SHEETAL KUMAR  
PARTNER  
Memb. No. 206950

For CENTURY MDF LIMITED

Director

## CENTURY MDF LIMITED

8. Estimated amount of contracts remaining to be executed on Capital Account and not provided (Net of advances) Rs Nil (Nil)
9. Contingent Liabilities: Nil (Nil)
10. Payment made to Auditors during the year

Particulars	Rs. in Lacs	
	2013-14	2012-13
A Statutory Audit Fee	0.30	0.28
B Tax Audit Fee	0.00	0.00
C Other Services	0.00	0.00
Total	0.30	0.28

11. Disclosure in respect of transacting related parties pursuant to Accounting Standard 18 "Related Party Disclosures"

Other Related Parties with whom transactions have taken place during the year:

Holding Company	Century Plyboards (I) Limited

Details of transactions and the status of outstanding balance as at year end:

Sl. No	Type of Transactions	In Rs. Lacs	
		Holding Company	Holding Company
		2013-14	2012-13
1	Loan taken	1.93	20.71
2	Loan repaid	22.64	-
3	Share Application received	25.00	-
4	Share Application refund/ Alloted	25.00	-
5	Balances as at year end	-	-
	- Loans Liabilities	-	20.71

12. In the opinion of the Management and to the best of their knowledge and belief the value on realization of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
13. The Company has not received complete information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available there was no amount due for more than 45 days to the Micro, Small and Medium Enterprises and total amount due to such vendors.

For SHEETAL AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM NO. No: 012536S

SHEETAL  
PARTNER  
Memb. No: 206950

For CENTURY MDF LIMITED

Director

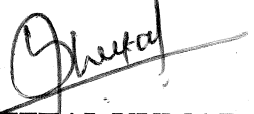
## **CENTURY MDF LIMITED**

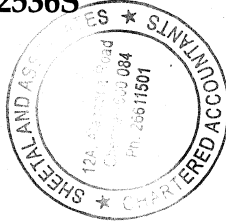
14. Previous year's figures have been regrouped / rearranged/ recasted wherever necessary, to make them comparable to current year's figures.
15. Figures are stated in rupees rounded off to the nearest rupee unless otherwise stated.

Signature to Notes '1' to '15' forming part of the Balance Sheet.

In terms of our report of even date

**For SHEETAL AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGD NO: 012536S**

  
**SHEETAL KUMAR  
PARTNER  
M.NO. 206950**



**FOR CENTURY MDF LIMITED**

**SAJJAN BHAJANKA  
DIRECTOR**

VK

  
**VISHNU KHEMANI  
DIRECTOR**

**PLACE : CHENNAI  
DATE : 10<sup>th</sup> April 2014**