

V SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of Budge Budge Company Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements **of BUDGE BUDGE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 and presentation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including 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 thereunder.

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We conducted our audit of Ind AS Financial Statements in accordance with the Standards on Auditing as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS Financial Statements.

Basis for Qualified Opinion

We like to draw your attention:

The Company has not provided liability on account of terminal benefits (gratuity) in accordance with Ind AS 19 "Employees Benefit" amounting to Rs.1859.09 Lakhs including Rs. 123.52 Lakhs for the year, in the financial statements, which constitutes a departure from the Indian Accounting Standards prescribed in section 133 of the Act.

The outstanding amount of the provisions in the financial statements would have increased by Rs.1859.09 Lakhs as at March 31, 2018, and profit for the year and retained earnings under other equity would have reduced by Rs. 123.52 Lakhs, and Rs. 1859.09 Lakhs respectively.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion section of our report*, the aforesaid Ind AS 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, including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its total comprehensive income (Comprising of Profit and Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

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Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening Balance Sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) audited by the predecessor auditor, whose report for the year ended 31st March 2017 and 31st March, 2016 dated 26th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is 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, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) *subject to the matter specified in qualified opinion section of our report*, in our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;

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- e) on the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) 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 knowledge and belief and according to the information and the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. Refer Note 32 (i) (a), (b), (d) & (e) to the Ind AS Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. The Company has not transferred Rs. 3.32 Lakhs relating to Unclaimed Redemption money of Preference Shares to the Investor Education and Protection Fund.

For **V SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner
Membership No.:060854

Place: Kolkata
Date: 26th May, 2018

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Annexure - A to the Independent Auditors' Report

Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of Budge Budge Company Limited on the Ind AS Financial Statements for the year ended 31st March, 2018:

- i.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - b) As explained to us, some of the Fixed Assets have been physically verified by the management at reasonable intervals and as informed to us no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Title Deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. The Company has granted unsecured loans to the companies covered in the register maintained under Section 189 of the Act. The Company has not granted any secured/unsecured loans to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
 - a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the interest of the Company.
 - b) In respect of the aforesaid loans, no schedule of repayment of principal has been stipulated by the Company. Therefore, in absence of stipulation of repayment we do not make any comment on the regularity of repayment of principal and payment of interest.
 - c) In view of the Clause iii(b) above, there is no amount which is overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans given and investments made.

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- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. According to the information and explanations given to us, maintenance of cost records has been specified by the Central Government under Sub section 1 of Section 148 of the Act and we are of the opinion that prima facia the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2018 for a period of more than six months from the date the same became payable.
- b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

Name of the Statue	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
B.F.(S.T.) Act,1941	Assessment Dues	5.86	1994-95	W.B.C.T.A.& R Board
C.S.T. Act, 1956	Assessment Dues	219.98	1996-97,2004-05	W.B.C.T.A.& R Board
C.S.T. Act, 1956	Assessment Dues	46.74	2002-03,2011-12	High Court, Kolkata
C.S.T. Act, 1956	Assessment Dues	789.13	2006-07 to 2010-11,2012-13 to 2014-15	W.B.C.T.A. & R Board

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W.B.S.T. Act, 1994	Assessment Dues	110.52	1996-97, 1998-99, 2004-05	W.B.C.T.A. & R Board
W.B.S.T. Act, 1994	Assessment Dues	110.51	1999-00, 2002-03, 2003-04	West Bengal Taxation Tribunal
W.B. VAT, 2003	Assessment Dues	282.19	2005-06 to 2007-08, 2010-11, 2012-13 to 2014-15	W.B.C.T.A. & R Board
W.B. VAT, 2003	Assessment Dues	89.59	2008-09	Taxation Tribunal
Provident Fund Authority	Demand for Damages and Interest	170.53	-	High Court
Provident Fund Authority	Demand for Damages	13.23	-	Tribunal

- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year.
- ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However, the Company has taken term loans during the year and the same have been applied for the purpose for which these were obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit nor we have been informed of any such cases by the management.
- xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3 (xii) of the Order is not applicable.

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- xiii. According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, Clause 3 (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **V SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Membership No.:060854

Place: Kolkata
Date: 26th May, 2018

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Annexure - B to the Independent Auditors' Report

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Budge Budge Company Limited on the Ind AS Financial Statements for the year ended 31st March, 2018)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Budge Budge Company Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(SUNIL SINGHI)
Partner

Membership No.: 060854

Place: Kolkata

Date: 26th May, 2018

BUDGE BUDGE COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs. In Lakhs)

	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non - current Assets				
(a) Property, Plant and Equipment	2	6,092.68	6,248.19	5,969.80
(b) Capital Work - in - progress	2	49.08	148.71	-
(c) Investment Property	3	827.66	444.37	460.55
(d) Other Intangible Assets	4	8.44	0.81	2.00
(e) Financial Assets				
(i) Investments	5	66.09	366.98	363.32
(ii) Loans	6	90.46	87.55	83.17
(iii) Other Financial Assets	7	153.39	153.39	153.39
		7,287.79	7,450.00	7,032.23
Current Assets				
(a) Inventories	8	3,034.17	3,382.54	3,012.81
(b) Financial Assets				
(i) Trade Receivables	9	1,161.03	1,057.28	1,524.27
(ii) Cash and Cash Equivalents	10	201.12	365.96	259.49
(iii) Bank Balance other than (ii) above	11	22.36	21.75	0.75
(iv) Loans	12	440.42	386.48	604.99
(v) Other Financial Assets	13	59.48	88.33	145.76
(c) Current Tax Assets (Net)	14	186.63	173.03	128.11
(d) Other Current Assets	15	776.44	836.21	564.80
		5,881.65	6,311.58	6,240.98
Total Assets		13,169.44	13,761.58	13,273.21
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	16	638.22	638.22	638.22
(b) Other Equity	17	3,308.80	3,203.31	3,324.66
Total Equity		3,947.02	3,841.53	3,962.88
Liabilities				
Non - Current Liabilities				
(a) Financial Liabilities				
Borrowings	18	846.33	781.93	237.77
(b) Deferred Tax Liabilities (Net)	19	941.34	972.74	876.55
Total Non-Current Liabilities		1,787.67	1,754.67	1,114.32
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	1,590.72	1,645.11	1,355.95
(ii) Trade Payables	21	4,330.25	5,059.94	5,392.76
(iii) Other Financial Liabilities	22	1,347.35	1,334.82	1,308.72
(b) Other Current Liabilities	23	166.43	125.51	138.58
Total Current Liabilities		7,434.75	8,165.38	8,196.01
Total Equity and Liabilities		13,169.44	13,761.58	13,273.21

Corporate Information and Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For **V.SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

FOR AND ON BEHALF OF THE BOARD

Ashok Kumar Poddar
Chairman

Manish Poddar
Managing Director

(Sunil Singhi)
Partner
Membership No.: 060854
Place: Kolkata
Date: 26th May, 2018

P.K. Ghorawat
Chief Financial Officer

D.V. Singhi
Secretary

BUDGE BUDGE COMPANY LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018			
(Rs. In Lakhs)			
	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
(a) Revenue from Operations	24	19,965.67	21,881.53
(b) Other Income	25	378.07	235.98
Total		20,343.74	22,117.51
Expenditure			
(a) Cost of Raw Materials Consumed	26	11,865.91	13,994.80
(b) Purchase of Stock in Trade		-	92.93
(c) Changes in Inventories of Finished Goods, Stock in Progress and Stock in Trade	27	238.20	73.42
(d) Employee Benefits Expense	28	4,243.36	4,095.35
(e) Finance Costs	29	454.00	316.33
(f) Depreciation and Amortisation Expenses	30	462.47	445.09
(g) Other Expenses	31	2,990.91	3,128.05
Total		20,254.86	22,145.97
Profit/(Loss) Before Tax		88.88	(28.45)
Tax Expenses			
Current Tax		16.80	47.04
Less: MAT Credit entitlement/ (set off)		2.00	47.04
Deferred Tax		(31.41)	96.19
Profit/(Loss) for the year		105.49	(124.64)
Other Comprehensive Income			
a) Items that will not be reclassified to profit or loss		-	-
b) Income tax relating to items that will not be reclassified to profit or loss		-	-
c) Items that will be reclassified to profit or loss		-	-
d) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		105.49	(124.64)
Earnings per Equity Share (Nominal value per Equity Share of Rs. 10/- each)			
(Refer Note No. 32.9)			
(a) Basic		1.65	(1.95)
(b) Diluted		1.65	(1.95)

Corporate Information and Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

For **V.SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 311017E

Ashok Kumar Poddar
Chairman

Manish Poddar
Managing Director

(Sunil Singhi)

Partner

Membership No.: 060854

Place: Kolkata

Date: 26th May, 2018

P.K. Ghorawat
Chief Financial Officer

D.V. Singhi
Secretary

BUDGE BUDGE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (As per IndAS)

(Rs. In Lakhs)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
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A. CASH FLOW FROM OPERATING ACTIVITIES

Profit/(loss) before tax	88.88	(28.45)
Adjustment for :		
Provision for Corporate Social Responsibility	-	3.29
Depreciation/amortization	462.47	445.09
Interest paid	454.00	298.51
Rent Received	(198.95)	(173.64)
Dividend Income	(0.76)	(0.64)
Interest received	(75.71)	(11.86)
(Profit)/Loss on sale of Property Plant and Equipment- (net)	(19.23)	(19.24)
Loss/(profit) on sale of investments	37.79	-
Sundry balances written off/ (back) (net)	(33.04)	(7.47)

IndAS Adjustments :

Fair value gain on investments	(48.45)	(4.40)
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Operating profit before working capital changes

	667.00	501.20
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Adjustments for:

Trade receivables, loans advances and other assets	18.83	260.49
Trade payables, other liabilities and provisions	(701.08)	(351.30)
Inventories	348.37	(369.73)

Cash generated from / (used in) operations

	333.12	40.66
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Less: Income taxes paid

	28.40	44.92
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Net cash flow from/ (used in) Operating Activities (A)

	304.72	(4.26)
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B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property plant and equipment, Intangibles etc.	(711.64)	(741.75)
(Increase) / Decrease in Capital Work in progress	99.63	(148.71)
Proceeds from sale of property plant and equipment	33.00	33.96
Sale of current Investments	-	0.75
Sale of Non current Investments	311.55	-
Subsidy Received	-	20.91
Dividend Income	0.76	0.64
Investments in Bank Deposits (original maturity more than three months)	(0.61)	(21.00)
Loans given	(56.84)	-
Loans realised	-	214.12
Rent Received	198.95	173.64
Interest received	74.78	11.86

Net cash flow from/(used in) Investing Activities (B)

	(50.42)	(455.59)
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C. CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Non Current Borrowings	64.40	544.17
Proceeds from Current Borrowings	-	289.16
Repayment of Current Borrowings	(54.39)	-
Interest paid	(429.15)	(267.00)

Net cash flow from/(used in) in Financing Activities (C)

	(419.14)	566.32
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**Net increase/(decrease) in Cash and Cash Equivalents
(A + B + C)**

	(164.84)	106.47
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Cash and Cash Equivalents at the beginning of the year

	365.96	259.49
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Cash and Cash Equivalents at the end of the year

	201.12	365.96
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BUDGE BUDGE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (As per IndAS)
(Contd...)

Notes:-

- (1) The above cash flow statement should be read in conjunction with the accompanying notes.
- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows .
- (3) Figures for previous year have been regrouped/rearranged wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date.

For **V.SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

FOR AND ON BEHALF OF THE BOARD

Ashok Kumar Poddar
Chairman

Manish Poddar
Managing Director

(Sunil Singhi)
Partner
Membership No.: 060854
Place: Kolkata
Date: 26th May, 2018

P.K. Ghorawat
Chief Financial Officer

D.V. Singhi
Secretary

BUDGE BUDGE COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. Equity Share Capital

(Rs. In Lakhs)

	Notes	31st March, 2018	31st March, 2017	1st April, 2016
Balance at the beginning of the year		638.22	638.22	638.22
Changes during the year	16	-	-	-
Balance at the end of the year		638.22	638.22	638.22

B. Other Equity

(Rs. In Lakhs)

	Reserves and Surplus					Total Equity attributable to equity holders of the Company
	Corporate Social Responsibility Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Total	
Balance as at 1st April, 2016	15.69	15.92	3,575.71	(282.66)	3,324.66	3,962.88
Transfer from retained earnings to General Reserve	-	-	300.00	(300.00)	-	-
Profit/(Loss) for the year	-	-	-	(124.64)	(124.64)	(124.64)
Transfer to CSR Reserve	3.29	-	-	-	3.29	3.29
Balance as at 31st March, 2017	18.98	15.92	3,875.71	(707.30)	3,203.31	3,841.53
Profit/(Loss) for the year	-	-	-	105.49	105.49	105.49
Balance as at 31st March, 2018	18.98	15.92	3,875.71	(601.81)	3,308.80	3,947.02

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For **V.SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

FOR AND ON BEHALF OF THE BOARD

Ashok Kumar Poddar
Chairman

Manish Poddar
Managing Director

(Sunil Singhi)
Partner
Membership No.: 060854
Place: Kolkata
Date: 26th May, 2018

P.K. Ghorawat
Chief Financial Officer

D.V. Singhi
Secretary

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

Note: 1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Corporate Information

The financial statements of "Budge Budge Company Limited" ("the Company") are for the year ended 31st March, 2018

The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in manufacturing and selling of jute products. The Company caters to only the domestic market. The quality management system of Budge Budge Jute Mills has been assessed and found to meet the requirements of ISO 9001:2008.

Information on other related party relationships of the Company is provided in Note-32.8

The financial statements were approved for issue in accordance with a resolution of the Board of Directors on 26th May, 2018.

B. Standard issued but not yet effective

MCA has notified Ind AS 115 (Revenue from Contracts with Customers) on 28th March 2018 as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. Ind-AS 115 supersedes Ind-AS 11 Construction Contracts and Ind-AS 18 Revenue. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Ind-AS 115 establishes a five steps model that will apply to revenue earned from a contract with a customer.

The standard allows for two methods of adoption: 1) retrospectively to each prior period presented with or without practical expedients, or 2) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings in the period of adoption. The standard is effective for periods beginning on or after 1st April, 2018. Early adoption is not permitted. The Company is mainly engaged in manufacturing and selling of Jute Goods. No significant impact is expected at present during 2018-19 due to above amendment.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

B. Significant Accounting Policies

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016, Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and comply in all material aspects with the relevant provisions of the Companies Act'2013 ("the Act") and Companies (Amendment) Act'2017.

For all the period upto 31st March 2017, the financial statements were prepared under historical cost convention in accordance with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. These financial statements for the year ended 31st March 2018 are the first financial statements that the Company has prepared in accordance with Ind AS. Refer to note- 32.22 for information on how the Company adopted Ind AS.

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured fair value (refer Significant accounting policy No. 18 regarding financial instruments).

Rounding off of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CWIP, INVESTMENT PROPERTY, DEPRECIATION/AMORTIZATION

3.1 Property, Plant and Equipment

- 3.1.1 Freehold Land is carried at historical cost.
- 3.1.2 The cost of an item of property, plant and equipment is recognized as an asset if, and only if:
 - (a) it is probable that future economic benefits associated with the item will flow to the entity; and
 - (b) the cost of the item can be measured reliably.
- 3.1.3 Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- 3.1.4 Spare Parts are capitalized when they meet the definition of Property, Plant and Equipment, i.e., when the Company intends to use these for a period exceeding 12 months.
- 3.1.5 The acquisition of property, plant and equipment, directly increasing the future economic benefits of any particular existing item of property, plant and equipment, which are necessary for the Company to obtain the future economic benefits from its other assets, are recognized as assets.
- 3.1.6 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3.2 Construction Period Expenses

- 3.2.1 Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously are charged to revenue.
- 3.2.2 Financing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized up to the date of capitalization
- 3.2.3 Financing cost, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined on quarterly basis after setting off the amount of internal accruals.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CWIP, INVESTMENT PROPERTY, DEPRECIATION/AMORTIZATION (Contd...)

3.3 Investment Property

3.3.1 Property that is held for long term rentals yields or for capital appreciation or both and that is not occupied by the Company is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

3.3.2 Investment properties are depreciated using the straight line method over their estimated useful lives. Investment properties generally have a useful life of 30 years.

3.3.3 On transition to Ind AS, the Company has elected to continue with the carrying value of all its investment property recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

3.4 Intangible Assets

3.4.1 Costs incurred on computer software/licenses purchased/ resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of six years.

3.4.2 Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

3.4.3 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

3.5 Depreciation/Amortization

3.5.1 Cost of tangible assets (net of residual value) is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortised over a period of six years.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CWIP, INVESTMENT PROPERTY, DEPRECIATION/AMORTIZATION (Contd...)

3.5.3 The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates capitalized spares over the life of the spare from the date it is available for use.

3.5.4 The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed periodically, including at each financial year end and adjusted prospectively, if appropriate.

4. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

5. BORROWING COSTS

Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

6. FOREIGN CURRENCY TRANSACTIONS

6.1 Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

6.2 Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rates prevailing as at the end of reporting period.

6.3 Non-monetary items denominated in foreign currency (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction other than those measured at fair value.

6.4 Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

7. INVENTORIES

7.1 Raw Materials & Stock-in-Process

7.1.1 Raw Materials are valued at cost determined on weighted average basis or net realizable value, whichever is lower.

7.1.2 Stock in Process is valued at raw material cost plus conversion costs as applicable or net realizable value, whichever is lower.

7.2 Finished Goods and Stock-in-Trade

7.2.1 Finished Goods are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Goods produced is determined based on raw material cost and processing cost.

7.2.2 Stock of shares has been valued at market rate.

7.3 Stores and spares

Stores and Spares are valued at cost.

8. PROVISIONS, CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

8.1 Provisions

8.1.1 Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8.1.2 Where the Company expects some or all of provisions to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

8.1.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

8.2 Contingent Liabilities

8.2.1 A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

8. PROVISIONS, CONTINGENT LIABILITIES & CAPITAL COMMITMENTS (Contd...)

- 8.2.2 Show-cause Notices issued by various Government Authorities are not considered as Obligation.
- 8.2.3 When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.
- 8.2.4 The treatment in respect of disputed obligations are as under:
- a) a provision is recognized in respect of present obligations where the outflow of resources is probable;
 - b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

10. TRADE RECEIVABLES

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

11. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

12. REVENUE RECOGNITION

- 12.1** Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- 12.2** Dividend income is recognized when the company's right to receive dividend is established.
- 12.3** Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- 12.4** Claims (including interest on outstanding) are recognized at cost when there is reasonable certainty regarding its ultimate collection.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

13. INCOME TAX

13.1 Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

13.2 Deferred Tax

13.2.1 Deferred income tax is provided in full, using balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

13.2.2 Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

13.2.3 The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

13. INCOME TAX (Contd...)

13.2.3 Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

13.2.4 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14. EMPLOYEE BENEFITS

14.1 Short Term Benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

14.2 Post-Employment Benefits and Other Long Term Employee Benefits:

The Company's contribution to the Provident Fund is remitted to separate trust established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss/ CWIP. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, is made good by the Company and charged to the Statement of Profit and Loss/CWIP.

The Company has defined contribution plans in the form of Provident Fund, EDLI, ESIC and Labour Welfare Fund and the contributions are charged to the Statement of Profit and Loss for the year as and when the contributions to respective funds are due. There are no other obligations other than contribution payable to these respective funds.

The liability for gratuity at the end of the year payable to employees is determined on the basis of actuarial valuation under Ind AS-19 norms but the same has not been provided and is reflected by way of a note to the financial statements. However, the Company is making payment of gratuity to the retired employees as per agreed scheme.

The other retiral benefits are accounted for as and when the liability for payment arises.

15. EARNINGS PER SHARE

15.1 Basic earnings per share

Basic earnings per share is calculated by dividing:

-The profit/loss attributable to owners of the Company.

-By the weighted average number of equity shares outstanding during the financial year.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

15. EARNINGS PER SHARE (Contd...)

15.2 Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

-The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

16. GRANTS

16.1 Capital Grants

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

16.2 Revenue Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognized in the statement of profit and loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.

17. CURRENT AND NON-CURRENT CLASSIFICATION

17.1 The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

17.2 An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

17.3 A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

18. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

18.1 Financial assets

18.1.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

18.1.2 Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

18.1.3 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial Assets at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL)

18.1.4 Financial Assets at Amortized Cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

18. FINANCIAL INSTRUMENTS (Contd...)

18.1.5 Equity instrument at FVTPL

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made election to present subsequent changes in the fair value in profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains or losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses through the Statement of Profit and Loss.

18.1.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

18.1.7 Impairment of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

18.2 Financial Liabilities

18.2.1 Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

18.2.2 Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and, in the case of liabilities measured at amortised cost net of directly attributable transaction costs.

The Company's financial liabilities includes trade and other payables, loans and borrowings.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

18. FINANCIAL INSTRUMENTS (Contd...)

18.2.3 Subsequent Measurement

All the financial liabilities are classified as subsequently measured at amortised cost.

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

18.2.4 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit & Loss.

18.3 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

19. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

20. FAIR VALUE MEASUREMENT

- 20.1** The Company measures some financial instruments at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- 20.2** The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.
- 20.3** The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- 20.4** A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- 20.5** The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- 20.6** All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- 20.7** For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

BUDGE BUDGE COMPANY LIMITED

Notes Forming Part of the Financial Statements for the year ended 31st March, 2018

B. Significant Accounting Policies (Contd...)

20. FAIR VALUE MEASUREMENT (Contd...)

20.8 In case of Level 3 valuations, External valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.

20.9 For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

2 Property, Plant and Equipment

(Rs. in Lakhs)

	Land (Freehold)	Building	Plant & Machinery	Furniture and Fixtures	Office Equipments	Motor Car	Data Processing Machines	Total
Gross Block								
Deemed Cost as at 1st April, 2016	1,557.88	1,153.16	3,006.86	91.86	2.24	153.73	4.07	5,969.80
Additions during the year	-	110.22	594.04	3.34	0.81	31.97	0.77	741.16
Deletions/Adjustments during the year	-	20.91	5.74	-	-	9.52	-	36.16
As at 31st March, 2017	1,557.88	1,242.48	3,595.17	95.21	3.05	176.19	4.84	6,674.80
As at 1st April, 2017	1,557.88	1,242.48	3,595.17	95.21	3.05	176.19	4.84	6,674.80
Additions during the year	-	63.80	171.31	6.06	0.75	53.56	3.41	298.88
Deletions/Adjustments during the year	-	-	1.90	-	-	16.37	-	18.27
As at 31st March, 2018	1,557.88	1,306.27	3,764.57	101.26	3.80	213.38	8.24	6,955.41
Accumulated Depreciation								
As at 1st April, 2016	-	-	-	-	-	-	-	-
Depreciation for the year	-	95.14	295.14	11.37	1.05	23.30	1.15	427.14
Deletions/Adjustments	-	-	0.03	-	-	0.51	-	0.53
As at 31st March, 2017	-	95.14	295.12	11.37	1.05	22.79	1.15	426.61
1st April, 2017	-	95.14	295.12	11.37	1.05	22.79	1.15	426.61
Depreciation for the year	-	97.62	303.83	11.67	0.50	25.88	1.12	440.63
Deletions/Adjustments	-	-	0.04	-	-	4.46	-	4.50
As at 31st March, 2018	-	192.75	598.91	23.04	1.55	44.21	2.27	862.73
Net Block								
As at 31st March, 2018	1,557.88	1,113.52	3,165.67	78.22	2.25	169.17	5.97	6,092.68
As at 31st March, 2017	1,557.88	1,147.34	3,300.05	83.84	2.00	153.40	3.69	6,248.19
As at 1st April, 2016	1,557.88	1,153.16	3,006.86	91.86	2.24	153.73	4.07	5,969.80

2 Capital Work In Progress

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Capital Work in Progress - Tangible Assets			
(Including unallocated capital expenditure, materials)			
Balance as at beginning of the year	148.71	-	-
Add: Additions during the year	-	148.71	-
Less: Allocated/ Adjusted during the year	99.63	-	-
Balance as at the end of the year	49.08	148.71	-

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

3 Investment Property

(Rs. In Lakhs)

	Buildings
Gross Block	
Deemed Cost as at 1st April, 2016	460.55
Additions during the year	-
Deletions/Adjustments during the year	-
As at 31st March, 2017	460.55
As at 1st April, 2017	460.55
Additions during the year	404.26
Deletions/Adjustments	-
As at 31st March 2018	864.81
Accumulated Depreciation	
As at 1st April, 2016	-
Depreciation for the year	16.18
Impairment	-
Deletions/Adjustments	-
As at 31st March, 2017	16.18
As at 1st April, 2017	16.18
Depreciation for the year	20.97
Impairment	-
Deletions/Adjustments	-
As at 31st March, 2018	37.15
Net Block	
As at 31st March, 2018	827.66
As at 31st March, 2017	444.37
As at 1st April, 2016	460.55

(i) Amount recognised in Statement of Profit and Loss for investment property

	31st March, 2018	31st March, 2017
Rental Income	198.95	173.64
Direct operating expenses related to property that generated rental income	-	-
Profit from investment properties before depreciation	198.95	173.64
Depreciation	20.97	16.18
Profit from Investment Properties	177.98	157.46

(ii) Fair value

The Company's Investment Property consists of a commercial property in India. The management has determined that the investment property consists of warehouses- based on their nature, characteristics and risks.

	31st March, 2018	31st March, 2017	1st April, 2016
Market Value of Investment Property	1,810.66	1,037.47	736.18
	1,810.66	1,037.47	736.18

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

4 Intangible Assets

(Rs. In Lakhs)

	Computer Softwares
Gross Block	
Deemed Cost as at 1st April, 2016	2.00
Additions during the year	0.59
Deletions/Adjustments during the year	-
As at 31st March, 2017	2.58
As at 1st April, 2017	2.58
Additions during the year	8.50
Deletions/Adjustments	-
As at 31st March 2018	11.08
Accumulated Depreciation	
As at 1st April, 2016	-
Depreciation for the year	1.77
Deletions/Adjustments	-
As at 31st March, 2017	1.77
As at 1st April, 2017	1.77
Depreciation for the year	0.87
Deletions/Adjustments	
As at 31st March, 2018	2.64
Net Block	
As at 31st March, 2018	8.44
As at 31st March, 2017	0.81
As at 1st April, 2016	2.00

BUDGE BUDGE COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

	As at 31st March, 2018		As at 31st March, 2017		(Rs. In Lakhs) As at 1st April, 2016		
	Face value	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
5 Non Current Investments- Other than Trade							
A. Investments in Equity Shares							
Investments carried at Fair value through Profit and Loss							
Quoted							
Whirlpool of India Limited	10	300	4.53	300	3.67	300	2.11
Unquoted							
In Subsidiary Company							
Vasavi Infrastructure Projects Limited*	-	-	-	23,72,300	334.23	23,72,300	334.23
In Others							
South West Fintrade Udyog Limited	10	2,50,000	5.15	6,78,405	20.68	6,78,405	17.54
EssEmm Enclaves Private Limited	10	37,500	0.85	37,500	0.85	37,500	1.24
Rash Bihari Construction Private Limited	10	-	-	-	-	7,500	0.69
South West Construction Private Limited	10	300	-	300	-	300	-
Suncity Properties Private Limited	10	5,000	0.50	5,000	0.50	5,000	0.45
Tivolipark Apartments Private Limited	100	-	-	6,500	6.50	6,500	6.50
Tyron Agency Private Limited	10	200	0.07	200	0.07	200	0.07
Vasavi Infrastructure Projects Limited	10	3,72,300	54.50	-	-	-	-
B. In Preference Shares (at Cost)							
A.M. Udyog Limited (11% Redeemable Cumulative Preference Shares)	100	7	0.01	7	0.01	7	0.01
A.M. Industries Limited	100	400	0.40	400	0.40	400	0.40
C. In Government Securities (at Cost)							
7 years National Saving Certificate lodged as Security with Central Excise Authority			0.08		0.08		0.08
Total Carrying Value			66.09		366.98		363.32
Aggregate amount of quoted Investments and market value thereof			4.53		3.67		2.11
Aggregate amount of Unquoted Investments and market value thereof			61.56		363.31		361.21

* Ceased to be Subsidiary w.e.f 8th March, 2018

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

(Rs. In Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
6 Loans			
(Unsecured, considered good at amortised cost unless otherwise stated)			
Security Deposits	90.46	87.55	83.17
Total	90.46	87.55	83.17
7 Other Financial assets			
(Unsecured, considered good by the management)			
Security Deposits with others	0.53	0.53	0.53
Interest Receivable	152.86	152.86	152.86
Total	153.39	153.39	153.39
8 Inventories			
(As taken valued and certified by the management)			
a) Raw Materials	1,514.07	1,689.72	1,260.38
b) Stock in Progress	374.07	301.90	594.13
c) Finished Goods	718.08	1,061.14	856.06
d) Stock in Trade			
Stock of Shares (Refer Note No.32.2)	120.63	87.93	74.21
e) Stores and Spare Parts	307.32	241.84	228.03
Total	3,034.17	3,382.54	3,012.81
9 Trade Receivables			
(Unsecured, considered good by the management)			
From Others	1,161.03	1,057.28	1,524.27
Total	1,161.03	1,057.28	1,524.27
10 Cash and Cash Equivalents			
Balance with Banks			
- In Current Accounts	198.07	363.04	241.06
Cash on hand (as certified by the management)	3.05	2.92	18.44
Total	201.12	365.96	259.49
11 Bank Balance other than above			
Fixed Deposit with Allahabad Bank*	22.36	21.75	0.75
Total	22.36	21.75	0.75
*Deposits held as margin money for issuing Bank Guarantee			
12 Loans			
(Unsecured, considered good by the management)			
Loan to Body Corporates			
To Related Party (Refer Note 32.8)	389.62	330.88	454.35
To Others	50.80	55.60	150.64
Total	440.42	386.48	604.99
13 Other Current Financial Assets			
(Unsecured, considered good by the management)			
Security Deposits with others	33.25	63.89	121.32
Accrued Interest on Fixed Deposit	0.94	-	-
Other Receivables	25.29	24.44	24.44
Total	59.48	88.33	145.76

BUDGE BUDGE COMPANY LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2018**

(Rs. In Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
14 Current Tax Assets (Net)			
Advance payment of Tax	648.79	618.39	525.72
Less: Provisions	463.30	446.51	398.75
	<u>185.49</u>	<u>171.88</u>	<u>126.97</u>
Advance payment for Fringe Benefit Tax	1.14	1.14	1.14
Total	<u>186.63</u>	<u>173.03</u>	<u>128.11</u>
15 Other Current Assets (Unsecured, considered good by the management)			
Advances to Subsidiary	-	670.24	350.05
Balances with Statutory Authorities			
Custom & Port Trust Authorities	0.39	0.46	0.46
Excise Department	0.14	2.12	2.02
Government Department & Others	67.15	36.23	31.22
Prepaid Expenses	22.10	18.75	22.37
Advance to Suppliers	42.85	26.18	46.70
Advance to Employees	9.85	10.46	15.26
Advances			
To Related Party (Refer Note No. 32.8)	546.59	-	-
To Other	87.36	71.76	96.72
Total	<u>776.44</u>	<u>836.21</u>	<u>564.80</u>

BUDGE BUDGE COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

16 Share Capital	(Rs. In Lakhs)					
	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
a) Authorised	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Rs. 10/- each	64,00,000	640.00	64,00,000	640.00	64,00,000	640.00
11% Redeemable Cumulative Preference Shares of Rs. 100/-	10,000	10.00	10,000	10.00	10,000	10.00
11% Redeemable Cumulative Preference Shares of Rs. 30/- each	50,000	15.00	50,000	15.00	50,000	15.00
		665.00		665.00		665.00
Issued, Subscribed & Paid Up						
Equity Shares of Rs. 10/- each fully paid up	63,82,151	638.22	63,82,151	638.22	63,82,151	638.22
	63,82,151	638.22	63,82,151	638.22	63,82,151	638.22

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

The Company has only one class of Equity Shares having par value of Rs. 10 each. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

c) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of Equity Shares held by the shareholders.

d) **The details of shareholders holding more than 5% shares as at 31st March, 2018, 31st March, 2017 and 1st April, 2016**

Name of the shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Shri Manish Poddar	10,04,780	15.74	10,04,780	15.74	10,04,780	15.74
Smt. Madhushree Poddar	7,40,600	11.60	7,40,600	11.60	7,40,600	11.60
Smt. Divya Poddar	6,34,100	9.94	6,34,100	9.94	6,34,100	9.94
Ashok Kumar Poddar (HUF)	14,36,100	22.50	14,36,100	22.50	14,36,100	22.50
Miss Vasavi Poddar	4,00,000	6.27	4,00,000	6.27	4,00,000	6.27
South West Fintrade Udyog Limited (Formely A.M. Udyog Limited)	3,76,660	5.90	3,76,660	5.90	3,76,660	5.90
Raghuvir Realtors Private Limited	11,46,500	17.96	11,46,500	17.96	11,46,500	17.96

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

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

(Rs. In Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
17 Other Equity			
Retained Earnings			
Surplus (Balance in Statement of Profit and Loss):			
As per last Account	(707.30)	(282.66)	460.32
Add: Opening Balance Adjustment due to Ind-AS	-	-	(742.97)
Profit for the year	105.49	(124.64)	-
Less: Appropriation			
General Reserve	-	(300.00)	-
	<u>(601.81)</u>	<u>(707.30)</u>	<u>(282.66)</u>
Other Reserve			
General Reserve:			
As per last Account	3,875.71	3,575.71	3,575.71
Add: Transfer from Surplus	-	300.00	-
	<u>3,875.71</u>	<u>3,875.71</u>	<u>3,575.71</u>
Capital Redemption Reserve			
As per last Account	15.92	15.92	15.92
Corporate Social Responsibility Reserve			
As per last Account	18.98	15.69	-
Add: Opening Balance Adjustment due to Ind-AS	-	-	15.69
Add: Appropriation from Surplus	-	3.29	-
	<u>18.98</u>	<u>18.98</u>	<u>15.69</u>
Total	<u>3,308.80</u>	<u>3,203.31</u>	<u>3,324.66</u>
18 Long Term Borrowings (At Amortised Cost)			
Secured Term Loans			
From Banks			
From Allahabad Bank (Refer note 'a')	959.70	846.54	343.40
(Secured by Equitable Mortgage of Land and Building of the Company and hypothecation of Plant and Machinery of the Company and personally guaranteed by Chairman and Managing Director of the Company)			
Less: Repayable within one year	194.20	132.94	185.76
	<u>765.50</u>	<u>713.60</u>	<u>157.64</u>
From HDFC Bank (Refer note 'b')	10.92	20.97	11.45
(Secured by hypothecation of Motor Car purchased there against)			
	8.71	10.05	5.21
	<u>2.20</u>	<u>10.92</u>	<u>6.24</u>
From ICICI Bank (Refer note 'c')	26.47	34.86	42.51
(Secured by hypothecation of Motor Car purchased there against)			
	9.22	7.65	7.65
	<u>17.25</u>	<u>27.21</u>	<u>34.86</u>
From Others			
From BMW India Financial Services India Private Limited	-	4.52	8.96
(Secured by hypothecation of Motor Car purchased there against)			
	-	4.44	4.44
	-	<u>0.07</u>	<u>4.52</u>
From Daimler Financial Services India Private Limited	72.59	34.51	38.89
(Secured by hypothecation of Motor Car purchased there against) (Refer note 'd')			
	11.21	4.38	4.38
	<u>61.38</u>	<u>30.13</u>	<u>34.51</u>
	<u>846.33</u>	<u>781.93</u>	<u>237.77</u>

BUDGE BUDGE COMPANY LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

18 Long Term Borrowings (Contd....)

Notes:

a) Terms of Repayment of loan taken from Allahabad Bank

Particulars	Date of Sanction	Original Loan Amount (Rs. in Lakhs)	Repayment Schedule
From Allahabad Bank-Term Loan-3	02-12-2014	157.00	11 Quarterly instalments of Rs. 13.10 Lakhs each commenced from June, 2016 and ending on December, 2018 and 12th installment of Rs.12.90 Lakhs payable in March, 2019.
From Allahabad Bank-Term Loan-4	30-08-2016	220.00	16 Quarterly instalments of Rs. 13.75 Lakhs each commenced from December, 2017 and ending on September, 2021
From Allahabad Bank-Term Loan-5	30-08-2016	280.00	16 Quarterly instalments of Rs. 17.50 Lakhs each commencing from April, 2019 and ending on March, 2023
From Allahabad Bank-Term Loan-6	30-08-2016	435.00	20 Quarterly instalments of Rs. 21.75 Lakhs each commenced from October, 2017 and ending on September, 2023

b) Terms of repayment of loan taken from HDFC Bank

Particulars	Date of Sanction	Original Loan Amount (Rs. in Lakhs)	Repayment Schedule
From HDFC Bank-Car Loan	29-12-2015	7.00	36 monthly instalments of Rs. 0.22 Lakhs each (Including Interest) commenced from February, 2016 and ending on January, 2019
From HDFC Bank-Car Loan	05-07-2016	4.00	36 monthly instalments of Rs. 0.13 Lakhs each (Including Interest) commenced from August, 2016 and ending on July, 2019
From HDFC Bank-Car Loan	05-07-2016	4.00	36 monthly instalments of Rs. 0.13 Lakhs each (Including Interest) commenced from August, 2016 and ending on July, 2019
From HDFC Bank-Car Loan	05-06-2016	4.00	36 monthly instalments of Rs. 0.13 Lakhs each (Including Interest) commenced from July, 2016 and ending on June, 2019
From HDFC Bank-Car Loan	07-07-2016	6.50	36 monthly instalments of Rs. 0.21 Lakhs each (Including Interest) commenced from August, 2016 and ending on July, 2019

c) Terms of repayment of loan taken from ICICI Bank

Particulars	Date of Sanction	Original Loan Amount (Rs. in Lakhs)	Repayment Schedule
From ICICI Bank-Car Loan	19-11-2015	45.00	60 monthly instalments of Rs. 0.95 Lakhs each (Including Interest) commenced from December, 2015 and ending on November, 2020

d) Terms of repayment of loan taken from Daimler Financial Services India P. Ltd

Particulars	Date of Sanction	Original Loan Amount (Rs. in Lakhs)	Repayment Schedule
Daimler Financial Services India P. Ltd - Car Loan	26-06-2015	41.87	47 monthly instalments of Rs. 0.71 Lakhs each (Including Interest) commenced from July, 2015 and ending on May, 2019 and 48th instalment of Rs. 23.36 Lakhs payable in June, 2019
Daimler Financial Services India P. Ltd - Car Loan	23-08-2017	46.09	47 monthly instalments of Rs. 0.79 Lakhs each (Including Interest) commenced from September, 2017 and ending on July, 2021 and 48th instalment of Rs. 21.83 Lakhs payable in August, 2021

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

(Rs. In Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
19 Deferred Tax Liabilities			
In compliance of Ind AS - 12 on "Income Taxes", the item wise details of Deferred Tax Liability (net) are as under:			
Deferred Tax Liability: Related to Fixed Assets			
Opening balance	968.20	876.55	876.55
Provided during the year in Statement of Profit & Loss	(38.28)	91.65	-
	<u>929.92</u>	<u>968.20</u>	<u>876.55</u>
Provision on Inventories			
Opening balance	4.54	-	-
Provided during the year in Statement of Profit & Loss	6.38	4.54	-
	<u>10.91</u>	<u>4.54</u>	<u>-</u>
Fair valuation of Equity Instruments			
Opening balance	-	-	-
Provided during the year in Statement of Profit & Loss	0.50	-	-
	<u>0.50</u>	<u>-</u>	<u>-</u>
Total	<u>941.34</u>	<u>972.74</u>	<u>876.55</u>
20 Current Borrowings			
Loans			
Secured			
From Allahabad bank			
Cash Credit Facilities	1,258.15	1,302.54	988.38
(Secured by hypothecation of entire stocks, book debts and other current assets, both present and future, equitable mortgage of Land and Building and hypothecation of Plant and Machinery of the Company and personally guaranteed by Chairman and Managing Director of the Company)			
Unsecured			
Sales Tax Loan from Government of West Bengal	54.43	54.43	54.43
Sales Tax Loan from WBIDC	247.64	247.64	247.64
Sales Tax Incentive Loan from WBIDC	17.50	17.50	17.50
Special Capital Incentive Loan from WBIDC	7.50	7.50	7.50
From Body Corporates	5.50	15.50	40.50
	<u>1,590.72</u>	<u>1,645.11</u>	<u>1,355.95</u>
21 Trade Payables			
Due to Related Party (Refer Note No.32.8)	565.56	1,700.05	-
Due to Others	3,764.69	3,359.89	5,392.76
Total	<u>4,330.25</u>	<u>5,059.94</u>	<u>5,392.76</u>

As per information available with the Company and as certified by the Management, there is no amount due to any Small Scale Industrial Undertaking as on 31st March, 2018, 31st March, 2017 and 1st April, 2016. There are no interest due or outstanding on the same.

BUDGE BUDGE COMPANY LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2018**

(Rs. In Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
22 Other Financial Liabilities			
Current maturities of long term debt			
From Banks			
From Allahabad Bank	194.20	132.94	185.76
From HDFC Bank	8.71	10.05	5.21
From ICICI Bank	9.22	7.65	7.65
From Others			
From BMW India Financial Services India Private Limited	-	4.44	4.44
From Daimler Financial Services India Private Limited	11.21	4.38	4.38
Interest accrued and due on term loans	11.30	11.70	5.44
Interest Accrued and Due on Unsecured Loans	496.49	471.24	445.99
Others			
Brokerage and Commission Payable	45.65	52.90	63.07
Electricity Charges Payable	92.42	98.90	87.08
Salary and Wages Payable	342.31	347.66	347.66
Bank Overdraft (Due to Reconciliation)	-	0.02	3.27
Other Payable	115.95	173.04	134.50
Security Deposit	16.58	16.58	10.95
Unclaimed Preference Shares Redemption Money	3.32	3.32	3.32
Total	1,347.35	1,334.82	1,308.72
23 Other Current Liabilities			
Advance from Customers	14.01	63.28	74.75
Payable to Statutory Authorities	152.42	62.23	63.83
Total	166.43	125.51	138.58

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

	(Rs. In Lakhs)	
	Year ended 31st March, 2018	Year Ended 31st March, 2017
24 Revenue from Operations		
Sale of Products (Jute Goods)	19,895.92	21,987.18
Other Operating Revenue		
Branding Charges (Net)	<u>120.02</u>	<u>112.64</u>
Revenue from Operations (Gross)	20,015.94	22,099.82
Less: Jute Marketing Cess	<u>50.27</u>	<u>218.29</u>
Revenue from Operations (Net)	<u>19,965.67</u>	<u>21,881.53</u>
Total	<u>19,965.67</u>	<u>21,881.53</u>
25 Other Income		
Dividend		
From other Non Current Investments	0.76	0.64
Interest		
On Loans	68.86	11.86
(TDS Rs.6.88 Lakhs 31.03.17 Rs. 0.89 Lakh)		
From Others	6.85	5.67
(TDS Rs. 0.69 Lakh 31.03.17 Rs. 0.50 Lakh)		
Profit on Sale of Fixed Assets	21.14	22.89
Rent Received	198.95	173.64
(TDS Rs. 19.90 Lakhs 31.03.17 Rs. 18.46)		
Sale of Scrap	-	9.41
Sundry Balances Written back	33.04	7.47
Fair value Gain on Financial Instruments classified as FVTPL (Net)	48.45	4.40
Total	<u>378.07</u>	<u>235.98</u>
26 Cost of Raw Material Consumed		
Opening Stock	1,689.72	1,260.38
Add: Purchase during the year	11,647.36	14,154.26
Add: Jute Expenses	<u>74.42</u>	<u>359.70</u>
Less: Sales	31.52	89.82
Less: Closing Stock	<u>1,514.07</u>	<u>1,689.72</u>
Total	<u>11,865.91</u>	<u>13,994.80</u>
27 Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade		
Opening Stock	1,061.14	856.06
Less: Closing Stock	<u>718.08</u>	<u>1,061.14</u>
Stock in Process		
Opening Stock	301.90	594.13
Less: Closing Stock	<u>374.07</u>	<u>301.90</u>
Stock in Trade		
Shares		
Opening Stock	87.93	74.21
Less: Closing Stock	<u>120.63</u>	<u>87.93</u>
Total	<u>238.20</u>	<u>73.42</u>
28 Employee Benefits Expense		
Salaries and Wages	3,757.04	3,628.66
Contribution to Provident and Other Funds	446.90	426.56
Staff Welfare Expenses	<u>39.42</u>	<u>40.13</u>
Total	<u>4,243.36</u>	<u>4,095.35</u>

BUDGE BUDGE COMPANY LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2018**

(Rs. In Lakhs)

	Year ended 31st March, 2018	Year Ended 31st March, 2017
29 Finance Cost		
Interest Expenses		
on Term Loan	121.80	94.70
on Working Capital Loan	145.78	133.05
on Loan from Govt Authorities	25.25	25.25
on Others	160.49	0.58
on Late payment of Statutory Dues	0.68	44.93
Other Borrowing Cost	-	17.82
Total	454.00	316.33
30 Depreciation and Amortisation Expenses		
Depreciation on Tangible Assets	440.63	427.14
Depreciation on Investments Property	20.97	16.18
Amortisation of Intangible Assets	0.87	1.77
Total	462.47	445.09
31 Other Expenses		
Consumption of Stores and Spare Parts	936.83	1,021.00
Power and Fuel Expenses	1,076.01	1,047.59
Rent	4.20	4.20
Repairs & Maintenance		
- Building	18.79	34.07
- Machinery	23.99	31.75
- Others	30.05	23.23
Insurance Charges	18.60	20.82
Rates and Taxes	21.01	55.62
Loss on Sale of Fixed Assets	1.91	3.65
Loss on Sale of Investments	37.79	-
Other Manufacturing Expenses	478.71	495.16
Freight & Other Sales Expenses	90.81	133.09
Auditor's Remuneration		
- As Auditor (excluding Goods and Service Tax)	1.30	0.60
- For other Services	0.30	0.34
- For Limited Review	0.60	0.16
Miscellaneous Expenses	250.02	256.76
Total	2,990.91	3,128.05

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes

32.1 Contingent Liabilities not provided for in respect of following -

(Rs. in lakhs)

SL. No.	Particular	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
i)	Claims against the Company not acknowledge as debt			
a)	Sales Tax Demands pending with appellate authorities	1,654.53	1,479.00	1438.26
b)	Claim for Damages on delayed payment of Employee State Insurance dues, which the Company has disputed and final order of Employee Insurance Court, Kolkata, is pending. However, the Company is entitled to obtain waiver with regard to interest penalty and damages for delayed payments of the old outstanding in respect of Provident Fund and Employee State Insurance under the relevant statutory provisions. Necessary steps are being taken to obtain the waiver from the appropriate authorities. Provisions against above mentioned contingent liabilities have not been made as the management does not foresee any liability in view of the legal opinion taken by them.	108.96	11.46	11.46
c)	Bonus Payable as per amendment in the Act	-	-	42.30
d)	Claims by Employees for payment of Gratuity	89.85	-	-
e)	Claims disputed by the Company relating to issues of applicability and determination relating to Provident Fund. Demand by P.F. authority for interest and damages against P.F. dues (Appeal pending with Hon'ble High Courts Delhi and Kolkata and Appellate Tribunal, Kolkata)	183.76	-	-
f)	Income Tax Demand for A.Y. 2013-14	11.15	11.15	11.15
g)	Income Tax Demand for A.Y. 2012-13	0.06	0.06	0.06
h)	Income Tax Demand for A.Y. 2011-12	4.20	4.20	4.20
i)	Income Tax Demand for A.Y. 2010-11	1.82	1.82	1.82
j)	FBT demand for A.Y. 2008-09	0.23	0.23	0.23
ii)	Bank Guarantees Rs. 3.08 lakhs and Letter of Credit Rs. 50.00 lakhs (31 st March 2017 Rs. Nil, 1 st April, 2016 Rs. Nil)			

It is not practicable for the company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

The Company does not expect any reimbursement in respect of the above Contingent Liabilities.

32.2 Certain Shares held as Investments/Stock in Trade valuing Rs. 0.89 lakhs had been lost in transit and their necessary legal steps have been initiated by the management.

32.3 On the basis of physical verification of assets and cash generation capacity of those assets, in the management perception, there is no impairment of assets as on 31st March, 2018, 31st March, 2017 and 31st March, 2016.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

32.4 The arrear cumulative dividend on 6000 Nos of 11% Redeemable Cumulative Preference Shares of Rs. 100/- each till 31.03.2013 amounted to Rs. 25.63 lakhs.

32.5 "The Company had filed an application for recovery before the Hon'ble High Court at Calcutta (the "Court") and West Bengal Taxation Tribunal "Extra Ordinary Jurisdiction" (the 'tribunal') alleging the interest aggregating to Rs. 137.72 Lakhs paid by the Company in the year 1997-98 under Central Sales Tax Act, 1961, West Bengal Sales Tax Act, 1954 and Bengal Finance (Sales Tax) Act, 1941 as refundable on the ground that such interest was paid without having any provision for levy of the said interest under the respective Acts and no such interest was assessed/charged in the respective assessment orders.

In view of the above:

a) The amount of Rs.137.72 lakhs along with interest of Rs.78.61 lakhs accrued there upon upto 31.03.2004 on having been considered good for recovery is accounted for under the head "Other Non-Current Financial Assets". Further Sales Tax Dues amounting to Rs. 63.74 lakhs have been netted out of the above amount.

b) The Company has withheld the repayment of principal and interest accrued on Sales Tax Loan.

32.6 The Company has only one primary segment and mainly engaged in manufacturing of Jute Goods and as a result the reporting under Ind As 108 "Segment Reporting" is not required.

32.7 The future liability of Rs. 1,859.09 lakhs (Previous Year Rs. 1,735.78 lakhs) being gratuity payable to employees determined as per actuarial valuation as at 31st March, 2018 under Ind AS-19 has not been provided for in the financial statements due to non-availability of adequate surplus.

32.8 **Related Party Disclosures**

Related Party Disclosures, as required by Ind AS-24 "Related Party Disclosures" are given below:-

(i) **Key Management Personnel & their Relatives**

Shri. Ashok Kumar Poddar (Executive Chairman)

Shri. Manish Poddar (Managing Director)

Smt. Madhushree Poddar (Director)

Shri. Danveer Singhi (Company Secretary)

Shri. Praveen Kumar Ghorawat (Chief Financial Officer)

Smt. Divya Poddar (Wife of a director)

Miss. Vasavi Poddar (Daughter of a director)

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

(ii) **Enterprises over which Key Management Personnel and/or their Relatives have significant influence**

Anglo India Jute & Textile Industries Private Limited Marigold Heights Pvt Ltd. P&A Bottlers P. Ltd P & A Beverages Pvt Ltd. Prime Soft Vintrade Pvt Ltd. Rash Behari Construction Pvt Ltd. Tivolipark Apartments (P) Ltd. Tivoli Court Pvt. Ltd. A.M Business & Finance Ltd. Vasavi Infrastructure Projects Ltd. (ceased to be subsidiary w.e.f. 8th March, 2018) P & A Infracon LLP	Bengal Investment Ltd. South West Construction Private Limited Ripon Estates Ltd. South West Fintrade Udyog Limited Arial View Highrise LLP Jackson Mercantiles LLP Outshine Developers LLP P & A Infradevelopers LLP Vehement Highrise LLP Indian Jute Mill Association Tyron Agency Pvt. Ltd. Suncity Properties Pvt. Ltd
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A) The following transactions were carried out with the related parties in the ordinary course of business.

Details relating to personnel/enterprises referred to in item (i) and (ii) above: **(Rs. in lakhs)**

Particulars		2017-18		2016-17	
		In relation to item (i)	In relation to item (ii)	In relation to item (i)	In relation to item (ii)
i)	Managerial Remuneration				
	Shri. Manish Poddar	29.80	-	27.33	-
	Shri. Ashok Kr. Poddar	26.29	-	25.63	-
	Shri. Danveer Singhi	12.82	-	12.15	-
	Shri. Praveen Kumar Ghorawat	6.43	-	5.83	-
ii)	Director Sitting Fees				
	Smt. Madhushree Poddar	2.00	-	1.00	-
iii)	Payment to Raw Jute Creditors				
	Bengal Investment Ltd.	-	3302.59	-	4,151.28
	Anglo India Jute & Textile Industries Pvt. Ltd.	-	219.36	-	-
iv)	Purchase of Goods				
	Bengal Investment Ltd.	-	2159.05	-	4,089.06
	Anglo India Jute & Textile Industries Pvt. Ltd.	-	352.84	-	-

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

Particulars		2017-18		2016-17	
		In relation to item (i)	In relation to item (ii)	In relation to item (i)	In relation to item (ii)
v)	Sale of Goods Anglo India Jute & Textile Industries Pvt. Ltd.	-	133.48	-	449.36
vi)	Sale of Fixed Assets Anglo India Jute & Textile Industries Pvt. Ltd.	-	-	-	19.16
vii)	Sale of Investments South West Construction Private Ltd	-	301.63	-	-
viii)	Advances Received Vasavi Infrastructure Projects Ltd.	-	160.00	-	175.16
	Tivolipark Apartments (P) Ltd.	-	-	-	123.47
ix)	Advances Given Vasavi Infrastructure Projects Ltd.	-	36.35	-	495.35
x)	Interest Received Tyron Agency Pvt. Ltd.	-	3.12	-	-
	Suncity Properties (P) Ltd.	-	16.82	-	-
	Rash Behari Construction Pvt Ltd.	-	17.30	-	-
	South West Construction Private Ltd	-	21.50	-	-
xi)	Reimbursement of Expenses Received Anglo India Jute & Textile Industries Pvt. Ltd.	-	-	-	0.66
xii)	Outstanding Balances at the end of the Financial Year Other Advance Received South West Fintrade Udyog Limited	-	4.94	-	4.94
	Trade Payable Bengal Investment Ltd.	-	565.56	-	1,700.05
	Trade Receivable Anglo India Jute & Textile Industries Pvt. Ltd.	-	-	-	0.61
	Other Advance Jackson Mercantiles LLP	-	1.17	-	1.17
	Vasavi Infrastructure Projects Ltd.	-	546.59	-	670.24
	Loans Rash Behari Construction Pvt Ltd.	-	177.51	-	160.21
	South West Construction Private Limited	-	104.96	-	83.46
	Tyron Agency Pvt. Ltd.	-	31.96	-	28.84
	Suncity Properties (P) Ltd	-	75.19	-	58.37

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

32.9 Earnings Per Share

Particulars	31 st March, 2018	31 st March, 2017
Profit attributable to Equity Shareholders (Rs. in Lakhs)	105.49	(124.64)
Weighted average number of Equity Shares	63,82,151	63,82,151
Face value per share (Rs.)	10	10
Earning Per Share (Rs.) (Basic & Diluted)	1.65	(1.95)

32.10 Value of Imported and Indigenous Raw Materials consumed:

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	Amount (Rs. in Lakhs)	%	Amount (Rs. in Lakhs)	%
Indigenous	11,865.91	100.00	13418.65	95.88
Imported	-	-	576.15	4.12
	11,865.91	100.00	13994.80	100.00

32.11 Value of Imported and Indigenous Stores, Spares consumed:

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	Amount (Rs. in lakhs)	%	Amount (Rs. in lakhs)	%
Indigenous	936.83	100.00	1,021.00	100.00
Imported	-	-	-	-
	936.83	100.00	1,021.00	100.00

32.12 Value of Imports on C.I.F. Basis

	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	Amount (Rs. in lakhs)	%	Amount (Rs. in lakhs)	%
Raw Materials	-	-	576.16	100.00
	-	-	576.16	100.00

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

32.13 Expenditure in Foreign Currency : (Rs. in lakhs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Travelling Expenses	27.59	18.61

32.14 Balance Confirmation

Outstanding balances of Trade Receivables, Trade Payables, Loans and Advances are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation if any. The management, however, is of the view that there will be no material discrepancies in this regard.

32.15 Employee Benefits

A. Defined Benefit Plans

Defined Benefit Plans expose the Company to actuarial risk such as: Interest Rate Risk, Liquidity Risk, Salary Escalation Risk and Demographic Risk.

- i. **Interest Rate Risk:** The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liquidity (as shown in financial statements)
- ii. **Liquidity Risk:** This is the risk that the company is not able to meet the short-term benefit payouts. This may arise due to non-availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. **Salary Escalation Risk:** The Present Value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have a bearing on the plan's liability.
- iv. **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Change in Defined Contribution Plans (DCP) over the year ended 31st March, 2018.

(Rs in Lakhs)

Particulars	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
Contribution to Employee's Provident Fund	58.71	55.01
Contribution to Employee's Pension Fund	217.10	209.26
	275.81	264.27

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

32.16 Disclosure Relating to Corporate Social Responsibility

The Company has made a provision of Rs. NIL (Previous Year Rs. 3.29 lakhs) in its books of account towards contributions for Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. Out of Rs 18.98 lakhs earmarked for CSR activities of the Company has not spent any amount for activities specified in Schedule VII to the Companies Act, 2013, during the financial year 2014-15, 2015-16, 2016-17, 2017-18.

(Rs in Lakhs)

Particulars	31 st March, 2018	31 st March, 2017
Carry Forward from Previous Year	18.98	15.69
Annual CSR Allocation	-	3.29
Amount available in CSR Reserve	18.98	18.98

32.17 Income Tax Expenses

(a) Major Components of income tax expense for the year ended 31st March 2018 and 31st March, 2017:

(Rs in Lakhs)

Particulars	For the Year ended 31 st March, 2018	For the Year ended 31 st March, 2017
Current Income Tax	16.80	47.04
Adjustment in respect of MAT Credit entitlement	(2.00)	(47.04)
Total Current Tax Expense	14.80	47.04
<i>Deferred Tax</i>		
(Decrease)/Increase in Deferred Tax Liabilities	(31.41)	96.19
Deferred Tax	(31.41)	96.19
<i>Income Tax expense is attributable to:</i>		
Profit from continued operation	16.61	96.19
Profit from discontinued operation	-	-
	16.61	96.19

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

(b) Reconciliation of tax expense and the accumulated profit multiplied by India's domestic rate:

Particulars	(Rs. in Lakhs)	
	For the Year ended 31 st March, 2018	For the Year ended 31 st March, 2017
Profit/(loss) before tax from Continuing Operations	88.88	(28.45)
Profit/(Loss) before tax from discontinuing Operations	-	-
Indian tax rate	30.90%	30.90%
Tax at an average rate	27.46	(8.79)
Tax at an average rate:	27.46	(8.79)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of income that are not taxable in determining taxable profit	(40.18)	(28.97)
Tax effect of expenses that are not deductible in determining taxable profit	64.70	45.82
Other Items	(68.59)	88.13
Total Tax Expense	(16.61)	96.19
Income Tax expense	(16.61)	96.19

32.18 Disclosures as required by Regulation 34(3) of SEBI (LODR) Regulations 2015

In Compliance of regulation 34(3) of SEBI (LODR) Regulations 2015, the required information is given as under:

(Rs. in Lakhs)

	Amount as on			Maximum Amount Outstanding during the year ended	
	31 st March, 2018	31 st March, 2017	1 st April, 2016	31 st March, 2018	31 st March, 2017
A. Loans and Advances in the Nature of Loan					
<i>Loan to Firms/Companies in which Directors are interested</i>					
Suncity properties Pvt. Ltd.	75.19	58.37	58.37	75.19	58.37
Rashbehari construction Pvt. Ltd	177.51	160.21	160.21	177.51	160.21

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

Tyron Agencies Pvt. Ltd.	31.96	28.84	28.84	28.84	31.96
Southwest Constuction Pvt. Ltd.	104.96	83.46	83.46	104.96	83.46
Tivolipark Apartments Pvt. Ltd.	-	-	123.47	-	123.47
<i>Advance</i> Vasvi Infrastructures Projects Ltd.	546.59	670.24	350.05	645.84	770.24

32.19 Financial Instrument – Fair value Measurement

A. Accounting classification for Fair Values

(i) Following table shows carrying amount and Fair Values of Financial Liabilities and Financial Assets:

(Rs in Lakhs)

	Carrying Value			Fair Value			Fair Value Measurement Hierarchy Level
	As At March, 2018	As At March, 2017	As on 01.04.2016	As At March, 2018	As At March, 2017	As on 01.04.2016	
Financial Assets							
A. FVOCI Financial Instruments							
Nil							
B. FVPL Financial Instruments							
Quoted Instruments	4.53	3.67	2.11	4.53	3.67	2.11	Level 1
Unquoted Instruments	61.07	362.82	360.72	61.07	362.82	360.72	Level 3
Preference Share	0.41	0.41	0.41	0.41	0.41	0.41	Level 3
Government Securities	0.08	0.08	0.08	0.08	0.08	0.08	Level 3
Financial Liabilities							
A. Borrowings							
Term Loan	846.33	781.93	237.77	846.33	781.93	237.77	Level 3

Level 1 hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments which are traded in the stock exchanges are valued using the closing price at the reporting date.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

Level 2 hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

Level 3 if one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments which are valued using assumptions from market participants.

32.20 **Financial Instrument- Financial Risk Management**

The Company's activity exposes it to various risk such as market risk, liquidity risk and credit risks. This section explains the risks which the Company is exposed to and how it manages the risks.

A. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange risk rates, interest rates and equity prices which will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Company's main business activity financial consulting has no or limited entry barrier. Entry of Banks and large consulting firms has increased competition.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as long-term borrowings.

The Company is also exposed to interest rate risk on its financial assets that include fixed deposits.

(ii) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the Balance Sheet as fair value through Profit or Loss. The majority of the Company's equity investments are publicly traded.

B. Liquidity Risk

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. This is generally carried out in accordance with practice and limits set by the Company.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

(i) Maturity Analysis

Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net settled derivative financial instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs. in Lakhs)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
31st March, 2018					
Borrowings	1,590.72	228.38	574.44	43.50	2,437.06
Trade- Payables	4,330.25	-	-	-	4,330.25
Other Financial Liabilities	1,330.77	-	-	16.58	1,347.35

(Rs. in Lakhs)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
31st March, 2017					
Borrowings	1645.11	217.69	433.74	130.50	2,427.04
Trade- Payables	5059.94	-	-	-	5,059.94
Other Financial Liabilities	1318.24	-	-	16.58	1,334.82

(Rs. in Lakhs)

	Less than 1 Year	1 Year to 2 year	2 Year to 5 Years	More than 5 Years	Total
31st March, 2016					
Borrowings	1355.95	156.48	81.29	-	1593.72
Trade- Payables	5392.76	-	-	-	5392.76
Other Financial Liabilities	1297.76	-	-	10.95	1308.72

C. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

Financial assets are written off when there is no expectation of recovery such as debtors failing to engage in a repayment plan with the Company. Where loans and receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where necessary, the Company has adopted the policy of creating expected credit loss where recoveries are made, these are organised as expense in the Statement of Profit and Loss.

32.21 Capital Management

Risk Management

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation of wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company

The following table summarises the Net Debt, Equity and Ratio thereof:

(Rs. in Lakhs)

	Note	31 st March, 2018	31 st March, 2017	1 st April, 2016
(i) Total Debt				
Borrowings- Non Current	18	846.33	781.93	237.77
- Current	20	1,590.72	1,645.11	1,355.95
Current Maturities of Long Term Debt	22	223.34	159.47	207.44
		2,660.39	2,586.51	1,801.16
Less: Cash and Cash Equivalents	10	201.12	365.96	259.49
Net Debt		2,459.27	2,220.55	1,541.67
(ii) Equity attributable to Shareholders		3947.02	3841.53	3962.88
(iii) Net debt to equity ratio		0.62	0.58	0.39

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

32.22 **First Time Adoption of Ind As**

The company has adopted the Indian Accounting Standards (IND AS) during the year and accordingly these are the company's first financial statements prepared in accordance with IND AS.

As per the Ind AS 101 First time adoption of Indian Accounting Standards, first time adopter shall prepare and present opening Ind AS Balance Sheet at the date of transition to Ind AS. This is starting point for accounting in accordance with Ind AS. The date of transition for the Company is 1st of April 2016.

The accounting policies set out in Note No. 1 have been applied in preparing the financial statements for the year ended 31st March, 2018 the comparative information presented in these financial statements for the year ended 31st March, 2017 and in the preparation of opening Ind AS Balance Sheet at 1st of April, 2016, the date of transition. In preparing its comparative financial statements including opening Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out below.

(i) **Mandatory exemptions availed:**

Ind AS 101 also allows first time adopters certain mandatory exceptions to be applied for retrospective application of certain requirements under Ind AS for transition from the previous GAAP:

(a) Classification and measurement of financial assets

Ind AS 101 requires an entity to classify and measure its financial asset into amortised cost, fair value through OCI or fair value through the Statement of Profit and Loss based on the business model assessment and solely payment of principal and interest (SPPI) criterion based on facts and circumstances that exist at the date of transition.

(b) Estimates

Ind AS 101 prohibits the use of hindsight to correct estimates made under previous GAAP unless there is objective evidence of error. It only allows to adjust the estimates made under previous GAAP when the basis of calculation does not comply with Ind AS.

Upon an assessment of the estimates made under previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, other than those required due to application of Ind AS.

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

(ii) Optional exemptions availed:

(a) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its Property, Plant and Equipment, Intangible Assets and Investment Property as per their previous GAAP carrying value.

(b) Investment property

On transition to Ind AS the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and use the carrying value as the deemed cost of Property, Plant and Equipment.

(iii) Reconciliation of Profit for the year ended 31st March, 2017:

(Rs in Lakhs)

Particulars	Notes	31 st March, 2017
Net Profit as per Previous GAAP (Indian GAAP)		261.91
Effect of Fair Value Gain on Non Current Investments	(i)	4.40
Effect of Changes in Value of Stock of Shares	(ii)	13.73
Effect of Change in Depreciation of Fixed Assets		(277.95)
Increase in Deferred Tax Liability	(iii)	(126.73)
Net Profit as per IND AS (A)		(124.64)
Other Comprehensive Income for the Period under IND AS (B)		-
Total Comprehensive Income for the Period under IND AS (A+B)		(124.64)

(iv) Reconciliation of Equity

(Rs in Lakhs)

Particulars	Notes	1 st April, 2016	31 st March, 2017
Equity as per Previous GAAP (Indian GAAP)		4,690.16	4,694.04
Effect of Fair Value Gain/(Loss) on Non Current Investments	(i)	(49.68)	(45.29)
Effect of Changes in Value of Stock of Shares	(ii)	3.76	17.49
Effect of Change in Depreciation of Fixed Assets		-	(19.91)
Increase in Deferred Tax Liability	(iii)	(697.05)	(823.78)
Transfer to CSR Reserve		15.69	18.98
Equity as per IND AS		3962.88	3841.53

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

(v) Reconciliation of cash flows for the year ended 31st March, 2017

(Rs in Lakhs)

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	277.41	(287.34)	(9.93)
Net cash flow from investing activities	(643.03)	193.11	(449.92)
Net cash flow from financing activities	493.09	73.23	566.32
<i>Net increase/(decrease) in cash and cash equivalents</i>	127.47	(21)	106.47
Cash and cash equivalents as at 1 st April, 2016	260.24	(.75)	259.49
Cash and cash equivalents as at 31st March, 2017	387.71	(21.75)	365.96

Notes to first time adoption:

- (i) Under Ind AS, the Company has recognized the financial instruments under two categories e.g. Fair Value through Profit and Loss (FVTPL) and at Carrying Value. On the date of transition, the fair value impact on FVTPL instruments has been taken in "Retained Earning". As at 31 March, 2017 the fair value impact on FVTPL instruments has been taken in the Statement of Profit and Loss. The gain/(loss) on any future extinguishment of such equity investments will not be reflected in statement of profit and loss.
- (ii) Under the previous GAAP, Inventories being Equity Share were evaluated based on the principle of Cost or Market Value whichever is lower. Under Ind AS, these costs are adopted on the basis of Fair Value as on transition date i.e. 1st April, 2016 and henceforth, Rs. 3.76 Lakhs being adjustment value were correspondingly adjusted to retained earnings.
- (iii) Under previous GAAP, no deferred tax asset/ liability was recognized on revalued amount of Property, Plant and Equipment since this was considered as permanent difference. Under Ind AS, deferred tax liability was recognized on such revalued amount, with tax base being Rs. NIL. Consequent to above change, deferred tax liability has increased by Rs. 697.05 lakhs as on 1st April, 2016 and by Rs. 91.65 lakhs as on 31st March, 2017 with corresponding decrease in equity for respective period.
- (iv) Retained earnings as at 1st April, 2016 has been adjusted consequent to the above Ind AS transition adjustments.
- 32.23 During the year, the company has given Interest bearing (which is not lower than prevailing yield of related Government Securities close to the tenure of respective loans) loans to certain parties for their business purposes, which is repayable on demand;
- Suncity properties Pvt. Ltd.-Rs.75.19 Lakhs (31st March, 2017-Rs.58.37 Lakhs, 1st April, 2016-Rs.58.37 Lakhs) at the year end and maximum amount outstanding during the year Rs.75.19 Lakhs (31st March, 2017-58.37 Lakhs)

BUDGE BUDGE COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Note: 32 - Other Notes (Contd...)

- Rashbehari Costruction Pvt. Ltd.-Rs.177.51 Lakhs (31st March, 2017-Rs.160.21 Lakhs, 1st April, 2016-Rs.160.21 lakhs) at the year end and maximum amount outstanding during the year Rs.17.51 Lakhs (31st March, 2017-Rs.160.21 Lakhs)
- Tyron Agencies pvyt. Ltd.-Rs.31.96 Lakhs (31st March, 2017-Rs.28.84 Lakhs, 1st April, 2016-Rs.28.84 lakhs) at the year end and maximum amount outstanding during the year Rs. 31.96 Lakhs (31st March, 2017-Rs.28.84 Lakhs)
- Southwest Construction Pvt. Ltd.-Rs.104.96 Lakhs (31st March, 2017-Rs.83.46 Lakhs, 1st April, 2016-Rs.83.46 Lakhs) at the year end and maximum amount outstanding during the year Rs.104.96 Lakhs (31st March, 2017-Rs.83.46 Lakhs)
- Tivoliparks Apartments Pvt. Ltd.-Nil (31st March, 2017-Nil, 1st April, 2016-Rs.123.47 Lakhs) at the year end and maximum amount outstanding during the year Nil (31st March, 2017-Rs.123.47 Lakhs)

32.24 Previous year's figures have been regrouped / rearranged wherever necessary.

Signature to notes 1 to 32.

As per our report of even date attached

For **V.SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.:311017E

FOR AND ON BEHALF OF THE BOARD

Ashok Kumar Poddar

Chairman

Manish Poddar

Managing Director

(Sunil Singhi)

Partner

Membership No.: 060854

Place: Kolkata

Date: 26th May, 2018

P.K. Ghorawat

Chief Financial Officer

D.V. Singhi

Secretary