

BUDGE BUDGE COMPANY LIMITED



43rd
ANNUAL REPORT
2015 - 2016

BUDGE BUDGE COMPANY LIMITED

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BOARD OF DIRECTORS

A. K. PODDAR (*Chairman*)
MANISH PODDAR (*Mg. Director*)
MADHUSHREE PODDAR (*Director*)
BIJAY KRISHNA DATTA (*Director*)
SUSHIL KUMAR CHHAWCHHARIA (*Director*)
DEVESHWER KUMAR KAPILA (*Director*)

COMPANY SECRETARY

D. V. SINGHI

AUDITORS

JAIN & CO.
Chartered Accountants

BANKERS

Allahabad Bank
IDBI Bank

REGISTERED OFFICE

16A, Brabourne Road
9th Floor
Kolkata - 700 001
CIN : L26941WB1973PLC028796

WORKS

Budge Budge Jute Mills
64, Moulana Azad Road
Budge Budge

BUDGE BUDGE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of the Members of M/s. **BUDGE BUDGE COMPANY LIMITED** will be held at the Registered Office of the Company at 16A, Brabourne Road, 9th Floor, Kolkata - 700 001 on Saturday, the 24th day of September, 2016 at 10.30 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statement of the Company and Consolidated Financial Statement including Audited Balance Sheet as at 31st March, 2016, Audited Profit & Loss Account and the Cash Flow statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Poddar (DIN 00282924), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company until the conclusion of the next AGM and to fix their remuneration and in this respect, to pass, with or without modification(s) the following resolution as an Ordinary Resolution :

“ **RESOLVED THAT** pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Company, the appointment of M/s. Jain & Co., Chartered Accountants (Registration No. 302023E), as the Statutory Auditors of the Company, be and is hereby ratified to hold office of Auditors from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting and the Board of Directors be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS :

4. APPROVAL OF REMUNERATION OF COST AUDITOR :

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

“**RESOLVED THAT** pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

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

By Order of the Board of Directors
For **Budge Budge Company Ltd.**

Danveer Singhi
Company Secretary

Place : Kolkata
Date : 12 August, 2016

BUDGE BUDGE COMPANY LIMITED

NOTICE (Contd.)

NOTES :

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. The profile of the Directors seeking appointment/ re-appointment, as required in terms of applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchanges and Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
4. The proxies to be effective, must be duly stamped, completed, signed and deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
5. A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBERS HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business on 12.08.2016.
10. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 17.09.2016 are requested to send the duly signed written / email communication to the Company at investors.budgebudge@gmail.com and to the RTA at mdpldc@yahoo.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
11. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 17.09.2016 . A person who is not a member as on cut-off date should treat this notice for information purpose only.
12. The shareholders shall have one vote per equity share held by them as on the cut-off date i.e. 17.09.2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
13. Members holding shares in physical form are advised to file nominations in respect of their shareholding in the Company, if not already registered and to submit the same to the Registrar and Share Transfer Agent. The Register of Members and Share Transfer Books of the Company will remain

BUDGE BUDGE COMPANY LIMITED

NOTICE (Contd.)

closed from 19th September, 2016 to 24th September, 2016 (both days inclusive) for the purpose of this AGM.

14. Relevant documents referred to in this Notice is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the AGM.
15. Members whose shareholding is in the electronic mode are requested to update address & bank account details to their respective Depository Participant(s) and the Members whose shareholding is in the physical mode are requested to provide the same to R&TA.
16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the Quarterly Reports, Notices, Annual Reports including financial statements, Board Reports, etc. and any other communications via email. All the shareholders holding shares in physical form who have not registered their e-mail addresses so far are requested to register their mail address to the RTA / Company for receiving all aforesaid communication from the Company, electronically.
17. The Notice of the 43rd AGM, along with the Annual Report, Attendance Slip and Proxy Form along with the process, instructions and the manner of conducting e-voting are being sent by electronic mode only to all those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2016 are being sent in the permitted mode. The documents referred to above are also available on the Company's website : www.gayatrigrroup.co
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participant(s) and Members holding shares in physical form are requested to submit their PAN details to the Company / R&TA.

19. Voting Through Electronic Means

- I. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("remote e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.
- II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
- III. The instructions for shareholders voting electronically are as under :

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- (i) The voting through electronic means will commence on Wednesday, the 21st day of September, 2016 at 9.00 a.m. (IST) and will end on Friday, the 23rd day of September, 2016 at 5.00 p.m. (IST). The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-Voting module shall be disabled by CDSL for voting thereafter. The Shareholders as on the cut-off date 17.09.2016 may cast their vote.
- (ii) Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.
- (iii) Log on to the e-voting website www.evotingindia.com during the voting period.
- (iv) Click on "Shareholders" tab.
- (v) After that enter your user ID;
For CDSL : 16 digits beneficiary ID;
For NSDL : 8 Character DP ID followed by 8 Digits Client ID; and
Members holding shares in Physical Form should enter Folio Number registered with the Company excluding the special characters.
- (vi) Next enter the image verification as displayed and click Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the Company records for your folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio.</p> <ul style="list-style-type: none">Please Enter the DOB or Bank Account Number in order to Login.If both the details are not recorded with the depository or Company then please enter the member-ID / Folio Number in the Bank Account Number details field as mentioned in above instruction (v).

BUDGE BUDGE COMPANY LIMITED

NOTICE (Contd.)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <**BUDGE BUDGE COMPANY LIMITED**> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Institutional Shareholders and Custodians :**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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NOTICE (Contd.)

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- (xxi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
20. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at santibrewalla@gmail.com with a copy mark to helpdesk.evoting@cdslindia.com on or before 23.09.2016 upto 5.00 p.m. without which the vote shall not be treated as valid.
21. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.
22. However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
23. Mr. Santosh Kumar Tibrewalla, Practising Company Secretary has been appointed as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated scrutinizer's Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/ poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
24. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.
25. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gayatrigrp.co and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to BSE Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.
26. Route-map to the venue of the AGM is annexed for the convenience of the members.

BUDGE BUDGE COMPANY LIMITED

NOTICE (Contd.)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Annexure as referred to in the notes of the notice

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s B. Saha & Associates, the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 at a remuneration of Rs. 30,000/- as their Audit fees plus applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Companies Act, 2014, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the general meeting. Accordingly, consent of the members is sought for passing the Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

The Board of Directors recommends the resolution set out in Item No. 4 of the accompanying notice for the approval of the members.

None of the Directors, Key managerial personnel of your Company and their relatives are in any way financially or otherwise, directly or indirectly is concerned or interested in the proposed Resolution.

By Order of the Board of Directors
For **Budge Budge Company Ltd.**

Danveer Singhi
Company Secretary

Place : Kolkata
Date : 12 August, 2016

BUDGE BUDGE COMPANY LIMITED

NOTICE (Contd.)

ANNEXURE TO NOTICE OF AGM

**Details of the Directors seeking appointment / re-appointment in forthcoming
Annual General Meeting**

**[In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 and Secretarial Standard 2 issued by the
Institute of Company Secretaries of India]**

Sl. No.	Name of the Director	Mr. Ashok Kumar Poddar
1	DIN	00282924
2.	Date of Birth and age	28.06.1944, 72 year
3.	Nationality	Indian
4.	Date of appointment on Board	17.01.1981
5.	Remuneration last drawn	Rs. 24.00 Lac p.a. plus perquisites
6.	No. of shares held in the Company	1436920 shares (including 1436100 shares held as Karta of HUF)
7.	Qualification & Expertise in specific functional area	B. Com Vast experience in various Industries including jute, tea and real estate
8.	No. of Board Meetings Attended	4 (four)
9.	List of other listed Companies in which Directorships held as on 31st March, 2016	NIL
10.	List of other Companies in which Directorships held as on 31st March, 2016	RIPON ESTATES LTD. BENGAL INVESTMENTS LIMITED
11.	Chairman/ Member of the Committee of the Board of other Companies in which he is a Director as on 31st March, 2016	NIL
12.	Disclosure of relationship between Directors interse	Mrs. Madhushree Poddar - Wife
		Mr. Manish Poddar - Son

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Forty-third Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2016.

FINANCIAL RESULTS

(Rs./Lakhs)

Particulars	FY 2015-16 Amount	FY 2014-15 Amount
i. Turnover	20960.36	14779.16
ii. Other Income	179.43	261.30
iii. Total Revenue	21139.79	15040.46
iv. Earnings Before Interest, Depreciation, Taxation and Amortization (EBIDTA)	601.85	403.57
v.. Finance Cost	257.46	307.33
vi. Depreciation	156.87	144.47
vii. Profit before Taxation (PBT)	187.52	(48.23)
viii. Tax including Deferred Tax	19.63	17.24
ix. Profit after Taxation (PAT)	167.89	(65.47)
x. Profit brought forward from previous year	549.00	614.47
xi. Surplus/ (Deficit) in the Statement of Profit & Loss	167.89	(65.47)
xii. Transfer to General Reserve	250.00	—
xiii. Other Adjustments – I.T. for earlier years	(6.57)	—
xiv. Balance Carried to Balance Sheet	460.32	549.00

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The Company is engaged in the business of manufacturing of jute products. Production during the year was 26245 M/T compared to 23449 M/T in the previous year which is higher by 12% than last year. Production would have been higher but due to shortage of Raw Material we have to keep the production at lower end. Further the production was also affected due to heavy absenteeism by the workers in usual course of production. The company had built warehouses last year to generate regular Rental income and in the current year company has earned Rs. 112.97 lakh as rent. Accordingly, the Company during the year has earned a net profit of Rs. 167.89 lakh compared to net loss of Rs. 65.47 lakh in the previous year.

There is no change in the business of the Company during the financial year 2015-16.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

PERFORMANCE & FINANCIAL POSITION OF SUBSIDIARY / ASSOCIATES :

(A) SUBSIDIARY

Vasavi Infrastructure Projects Limited

The company has reported total income of Rs. 80.18 lakh during the year as compared to Rs. 35.84 lakh in the previous year. Net Profit of the company is Rs. 4.85 lakh as compared to Rs. 6.49 lakh in the previous year. The company is in the Real estate business and two projects at Nabadip are under progress.

(B) ASSOCIATES

South West Fintrade Udyog Limited (Previously A. M. Udyog Ltd.) & Rash Behari Construction Private Limited

South West Fintrade Udyog Limited (Previously A. M Udyog Ltd.) has not carried out any business activities during the year under review and has incurred a net loss of Rs. 12139.60 compared to a net loss of Rs. 34872.25 in the previous year .

Rash Behari Construction Private Limited has not carried out any business activities during the year under review and has incurred a net loss of Rs. 5305.00 compared to a net loss of Rs. 6441.00 in the previous year

DIVIDEND

In order to conserve resources of the Company and to meet working capital requirements, your Board did not recommended any dividend on equity shares of the Company for the financial year ended 31st March, 2016.

DEPOSITS

The Company has not accepted any deposit during the year under review.

TRANSFER TO RESERVE

The Company has transferred an amount of Rs. 250.00 lakh to General Reserve out of the profit for the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Directors Responsibility Statement as referred to in section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that :

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information related to conservation of energy, Research & Development, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are given in the **Annexure - 'A'** as attached hereto and forming part of this Report.

CORPORATE GOVERNANCE

Your Company has practiced sound Corporate Governance and taken necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance. Your Company has complied with the requirements of Clause 49 of the Listing Agreement / applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as issued by Securities and Exchange Board of India and as amended from time to time. Your Company has given its deliberations to provide all the information in the Directors Report and the Corporate Governance Report as per the requirements of Companies Act, 2013 and the Listing Agreement entered by the Company with the Stock Exchanges, as a matter of prudence and good governance.

A Report on Corporate Governance along with a certificate from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary regarding compliance of conditions of Corporate Governance and certification by CEO & CFO are given in **Annexure - 'B', 'C' & 'D'**.

CODE OF CONDUCT

The Code of Conduct for Directors, KMPs and Senior Executive of the Company is already in force and the same has been placed on the Company's website: www.gayatrigroup.co and the declaration to this effect is given in **Annexure - 'E'**.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, your Company has already adopted the Code of Conduct for prevention of Insider Trading and the same is also placed on the Company's website : www.gayatrigroup.co. Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company at their meeting held on 23rd May, 2015 have approved and adopted the code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

A report on Management Discussion & Analysis is given in the **Annexure - 'F'** to this report.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

PERSONNEL

The particulars and information of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been set out as **Annexure - 'G'** to this Report, attached hereto.

COMPANY'S WEBSITE

The website of your Company, www.gayatrigroup.co, has been designed to present the Company's businesses up-front on the home page. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & Corporate Profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules, 2014 and as per the Listing agreement/ SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been uploaded.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Director - Retirement by Rotation :

Mr. Ashok Kumar Poddar (DIN 00282924), Executive Chairman of the Company, pursuant to the provisions of Section 152(6) and other applicable provisions, of the Companies Act, 2013, retires by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

ii) Appointment of Directors :

During the year under review, there was no change in the composition of the Board of Directors.

Mr. Manish Poddar (DIN 00283036) was re-appointed as Managing Director of the Company for a further period of 3(three) years w.e.f. 1st April, 2016 and was approved by the members at the Annual General Meeting held on 26th September, 2015.

iii) Whole time - Key Managerial Personnel (KMP) :

There is no change in the Key Managerial Personnel during the year.

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) as applicable. In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR Committee was constituted under section 135 of the Companies Act, 2013 is functional under the Chairmanship of Mr. Sushil Kumar Chhawchharia. The other members of the Committee were Mr. Ashok Kumar Poddar and Mr. Manish Kumar Poddar and they were replaced by Mr. Bijay Krishna Datta and Mrs. Madhushree Poddar by the Board in its meeting held on 23rd May, 2016. The details of the Committee is mentioned in the Corporate Governance Report attached as Annexure to this Board's Report and the CSR activities are mentioned in the 'Annual Report on CSR Activities' enclosed as **Annexure - 'H'** to this Report.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

AUDITORS AND THEIR REPORTS

(i) Statutory Auditor :

The Statutory Auditor M/s. Jain & Co., Chartered Accountants, holds office upto the conclusion of the Annual General Meeting (AGM) to be held for the financial year 2016-17, subject to ratification by the shareholders in every AGM. Accordingly, the Board on recommendation of Audit Committee has proposed for ratification of their appointment in the office of Statutory Auditors of the Company for the financial year 2016-17.

The Notes to Accounts, as referred in the Auditors Report are self-explanatory and hence does not call for any further explanation.

(ii) Cost Auditor :

Pursuant to section 148 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee had re-appointed M/s B. Saha & Associates (Registration No. 100104), Cost Accountants, as the Cost Auditors of the Company for the financial year 2016-17. The Company has received consent and confirmation of eligibility for their re-appointment as the Cost Auditors of the Company for the year 2016-17.

(iii) Secretarial Auditor :

The Board has appointed Mr. Santosh Kumar Tibrewalla, Practising Company Secretary, as the Secretarial Auditor of the Company to carry out the Secretarial Audit for the year 2015-16 under the provisions of Section 204 of the Companies Act, 2013. The report of the Secretarial Auditor in MR 3 is enclosed as Annexure - 'I' to this Board's Report, which is self-explanatory and hence do not call for any further explanation.

DISCLOSURES AS PER APPLICABLE ACT, LISTING AGREEMENT / SEBI (LODR) REGULATIONS, 2015

i) Related Party Transactions :

All transaction entered with related parties during the f.y. 2015-16 were on arm's length basis and were in the ordinary course of business and provisions of Section 188(1) are not attracted. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the Listing Agreement / SEBI(LODR) Regulations, 2015 which may have potential conflict of interest with the Company at large.

The necessary disclosures regarding the transactions as required in Form AOC 2 are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy. The Company has not entered into any specific contract with related parties.

Since the Company has extended loans and advances in the nature of loan to its Subsidiary, Associates, firms/ Companies in which Directors are interested disclosure as per Para A of Schedule V is provided in Notes to the Accounts under 'Related Party Disclosures'.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

ii) Number of Board Meetings :

The Board of Directors met 4 (four) times in the year 2015-16. The details of the Board meeting and attendance of the Directors are provided in the Corporate Governance Report, attached as Annexure to this Board's Report.

iii) Composition of Audit Committee :

The Board has constituted the Audit Committee under the Chairmanship of Mr. Sushil Kumar Chhawchharia. The complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

iv) Extracts of Annual Return :

The details forming part of the extract of the Annual Return in **MGT-9** as provided under section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as **Annexure - 'J'**.

v) Risk Analysis :

The Board has developed and implemented a risk management policy identifying therein the elements of risk that may threaten the existence of the Company. The Company has a mechanism that helps the Board to keep an overall watch on the business risks and informs the Board members about the evaluation, and estimation of the levels of risks involved in a situation, their comparison against benchmarks or standards, and determination of an acceptable level of risk and mitigation plans and periodical reviews are undertaken to ensure that the critical risks are controlled by the executive management.

vi) Internal Financial Control :

The Company has in place adequate internal financial control as required under section 134(5)(e) of the Act and the same was evaluated by the Audit Committee. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed. The statutory auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is provided is annexed with Auditor's Report.

vii) Loans, Guarantees and Investments :

During the year under review, your Company has not made any investment and the existing investment is within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of section 179 and 186 of the Companies Act, 2013. The particulars of all such loans, guarantees and investments are entered in the register maintained by the Company for the purpose.

viii) Post Balance Sheet events :

There is no material changes in commitments affecting the financial position of the Company occurred since the end of the financial year 2015-16.

ix) Subsidiaries, Associates or Joint Ventures :

M/s. Vasavi Infrastructure Projects Limited (CIN : U45209WB1992PLC054118) is the only non-

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

material Subsidiary Company of your Company as per the provision of section 2(87) of the Companies Act, 2013. It is an unlisted Company emerging in construction business. M/s. South West Fintrade Udyog Limited (previously A M Udyog Ltd.) and M/s. Rash Behari Construction Private Limited are Associate Companies in terms of Section 2(6) of the Companies Act, 2013. As per the provision of Section 129(3) and Rule 5 of the Companies (Accounts) Rules, 2014 the statement in **AOC - 1** containing the salient features of the financial statement of the subsidiary/ associate Companies are given in **Annexure - 'K'**. The consolidated financial statement in this Annual Report is as per the Accounting Standards as laid down by the Institute of Chartered Accountants of India. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information will be available on our website. These documents will also be available for inspection during business hours at the registered office of the Company. The Company will also make available copy thereupon specific request by any member of the Company, interested in obtaining the same.

There is no Company which has become or ceased to be the Company's subsidiary, joint venture or associate Company during the year under review.

x) Evaluation of the Board's Performance :

During the year under review, the Board, in compliance with the Companies Act, 2013 and Listing Agreement / applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has in place a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgments, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their separate meeting.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

xi) Nomination, Remuneration and Evaluation Policy :

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and the Listing Agreement with the stock exchanges (as amended from time to time). This Policy is formulated to provide a framework and set standards in relation to the followings and details on the same are given in the Corporate Governance Report, attached as Annexure to this Board's Report :

- a. Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP), Senior Management Executives of the Company.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

- b. Remuneration payable to the Directors, KMPs and Senior Management Executives.
- c. Evaluation of the performance of the Directors.
- d. Criteria for determining qualifications, positive attributes and independence of a Director.

xii) Vigil Mechanism (Whistle Blower Policy) :

By virtue of Whistle Blower Policy, the Directors or employees of the Company or any other person who avail the mechanism are encouraged to escalate to the level of the Audit Committee for any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of Directors and employees from reprisals or victimization, for whistle blowing in good faith. This policy also allows the direct access to the Chairperson of the Audit Committee

Details of establishment of the Vigil Mechanism have been uploaded on the Company's website: www.gayatrigroup.co and also set out in the Corporate Governance Report attached as Annexure to this Board's Report.

INDUSTRIAL RELATIONS

The industrial relation during the year 2015-16 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There have been no significant & material orders passed by regulators / courts / tribunals impacting going concern status and Company's operations in future.

APPRECIATION

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers and Investors for their continuous support, cooperation and their valuable guidance to the Company and for their trust reposed in the Company's management. The Directors also commend the continuing commitment and dedication of the employees at all levels and the Directors look forward to their continued support in future.

For and on behalf of the Board of Directors
For Budge Budge Company Ltd.

Place : Kolkata
Date : 12 August, 2016

Ashok Kumar Poddar
Chairman
DIN : 00282924

Manish Poddar
Managing Director
DIN : 00283036

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT (Contd.)

ANNEXURE - A TO THE DIRECTORS' REPORT

Particulars pursuant to the provisions of Section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014 :

A) Conservation of Energy :

(i) Steps taken or impact on conservation of energy

The Company has the most modern plant having inbuilt features for minimum energy consumption. Energy saving devices/equipments are installed to ensure saving in power consumption. Company has changed the old 550V system to 440V system & installed energy efficient motors.

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company is exploring possibilities for utilizing alternate source of energy.

(iii) Capital investment on energy conservation equipments

Not ascertainable.

B) Technology Absorption -

(i) Efforts made towards technology absorption :

(ii) Benefits derived like product improvement, cost reduction product development or import substitution :

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

- a) Details of technology imported
- b) Year of import
- c) Whether the technology been fully absorbed
- d) If not fully absorbed, areas where absorption has not taken place, reasons thereof : and

N.A.

(iv) The expenditure incurred on Research and Development

Expenses incurred are charged to respective heads are not allocated separately

The Company is keeping a close watch on the new product Development in Jute Goods, Upgradation and Automation is being done wherever.

BUDGE BUDGE COMPANY LIMITED

DIRECTOR'S REPORT *(Contd.)*

C) FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows is as follow :

	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Total Foreign Exchange Used and Earned :		
Earned (F.O.B.)	Nil	Nil
Used	500.26	55.81

For and on behalf of the Board of Directors
For Budge Budge Company Ltd.

Place : Kolkata
Date : 12 August, 2016

Ashok Kumar Poddar
Chairman
DIN : 00282924

Manish Poddar
Managing Director
DIN : 00283036

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE

ANNEXURE - B TO THE DIRECTOR'S REPORT

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Corporate Governance

The Company, in terms of Clause 49 of the Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, has adopted the practice of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at the different levels of the management of the Company.

2. Board of Directors

a) The composition and category of Board of Directors :

Sl. No.	Name of Directors	Category
1	Mr. Ashok Kumar Poddar	Executive - Chairman - Promoter
2	Mr. Manish Poddar	Executive - Managing Director - Promoter
3	Mrs. Madhushree Poddar	Non-Executive - Woman Director - Promoter
3	Mr. Bijay Krishna Dutta	Non-Executive – Independent Director
4	Mr. Sushil Kumar Chhawchharia	Non-Executive – Independent Director
5	Mr. Deveshwar Kumar Kapila	Non-Executive – Independent Director

The appointment of all the Independent Directors of the Company has been made in the Annual General Meeting of the Company held on 27th September, 2014 for a term of consecutive five years and they shall not be liable to retire by rotation. They meet all the criteria's as provided in the Companies Act, 2013 and Listing Agreement / applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have taken active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The Company in accordance with applicable clauses of Listing Agreement & Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programs posted on the website of the Company : www.gayatrigroup.co

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

The Board has carried out performance evaluation of Independent Directors and recommended to continue the term of their appointment.

b) Attendance of each Director at the Board meetings and the Last Annual general meeting (AGM) and also number of other Directorships/Membership of Committee of each Director in various Companies :

Name of Directors	Attendance Particulars		No. of other directorship & other committee memberships / chairmanships held *		
	Board Meetings	Last AGM	Other Directorship**	Committee Memberships	Committee Chairmanships
Mr. Ashok Kumar Poddar	4	Present	2	Nil	Nil
Mr. Manish Poddar	4	Present	2	Nil	Nil
Mrs. Madhushree Poddar	3	Absent	1	Nil	Nil
Mr. Bijay Krishna Dutta	4	Present	Nil	Nil	Nil
Mr. Sushil Kumar Chhawchharia	4	Absent	1	2	Nil
Mr. Deveshwar Kumar Kapila	1	Absent	2	2	1

* Membership & Chairmanship of the Audit Committees & Stakeholders Relationship Committees are only considered.

** excluding Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

c) Number of Board meetings held and dates on which held

During the financial year 2015-16, 4 (Four) Board meetings were held on 23rd May, 2015, 8th August, 2015, 14th November, 2015 and 11th February, 2016. The gap between any two consecutive meetings did not exceed one hundred and twenty days in terms of the Listing Agreement / Regulation 17 (2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, Secretarial Standards and the provision of Companies Act, 2013.

Separate Meeting of the Independent Directors :

As stipulated by the Schedule IV, Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement/ Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has facilitated holding of a separate meeting of the Independent Directors, which was held on 14th November, 2015, which was attended by all the Independent Directors and inter alia has reviewed :-

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

- i. the performance of non-independent Directors and the Board as a whole ;
- ii. the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors ; and
- iii. assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board and its Committees that is necessary for the Board to effectively and reasonably perform their duties.

d) DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT :

The Details of Director seeking appointment / re-appointment as required under the Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is given in annexure to the notice.

e) Disclosure of relationship between the Directors inter se :

The disclosure of relationships between Directors inter se as required as per Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is as follows :

Name of Directors	Name of Other Director	Relationship
Mr. Ashok Kumar Poddar	Mr. Manish Poddar	Son
	Mrs. Madhushree Poddar	Wife
Mr. Manish Poddar	Mr. Ashok Kumar Poddar	Father
	Mrs. Madhushree Poddar	Mother
Mrs. Madhushree Poddar	Mr. Ashok Kumar Poddar	Husband
	Mr. Manish Poddar	Son

*No other Directors in the Board are inter se related to each other.

f) Shares and Convertible Instruments held by Non-Executive Directors :

Sl. No.	Name of Other Directors	No. of Shares
1.	Mr. Bijay Krishna Datta	NIL
2.	Mr. Sushil Kumar Chhawchharia	NIL
3.	Mr. Deveshwer Kumar Kapila	NIL
4.	Mrs. Madhushree Poddar	7,40,600

g) Familiarisation Programme imparted to Independent Directors

An ongoing familiarisation with respect to the business/ working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

By way of the familiarisation programme undertaken by the Company, the Directors are shared with the nature of the industry in which the Company is presently functioning, the functioning of various business units, the Company's market share, the CSR activities which will be pursued by the Company and other relevant information pertaining to the Company's business.

As required under Regulation 25 of the SEBI LODR Regulations, the Company held various familiarisation programmes for the Independent Directors throughout the year on an ongoing and continuous basis with a view to familiarising the independent directors with the Company's operations. The familiarisation programmes carried out during the year include:-

1. Presentations made by business and functional heads of the Company from time to time on different functions and areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and SEBI LODR Regulations.

The familiarisation programme of the Company for its Independent Directors has been disclosed on the Company's website : www.gayatrigroup.co

3. AUDIT COMMITTEE :

The Audit Committee was entrusted with review of quarterly and annual financial statements before submission to the Board, management discussion and analysis of financial condition and results of operations, review of observations of auditors and to ensure compliance of internal control systems, authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. All the members of the Committee are financially literate.

All the members of the Audit Committee are independent directors and possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls. The terms of reference of the Audit Committee are extensive and as stated below, go beyond what is mandated in Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Act.

The present terms of reference / scope and function of the Audit Committee are as follows :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Review of the adequacy of the internal control systems and finance of the internal audit team;
5. Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same ;

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same ;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings ;
 - e. Compliance with listing and other legal requirements relating to financial statements ;
 - f. Disclosure of any related party transactions ;
 - g. Qualifications in the draft audit report.
7. Reviewing, with the management, the quarterly financial statements before submission to the board for approval ;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. Approval or any subsequent modification of transactions of the Company with related parties;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the Whistle Blower mechanism;
21. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
22. Examining the financial statement and the auditor's report thereon;
23. Monitoring the end use of funds raised through public offers and related matters;
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
25. To review :-
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions, submitted by management;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses, etc.
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - Secretarial audit report relating to suspected fraud or irregularity or a failure of compliance of any legislation.

The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

During the period 4 (Four) meetings of the Audit Committee were held during the year ended 31st March, 2016, viz. on 23rd May, 2015, 8th August, 2015, 14th November, 2015 and 11th February, 2016.

Name of Directors	Category	No. of Meetings Held	Attended
Mr. Sushil Kumar Chhawchharia	Non-Executive Independent Director - Chairman	4	4
Mr. Bijay Krishna Dutta	Non-Executive Independent Director	4	4
Mr. Deveshwar Kumar Kapila	Non-Executive Independent Director	4	1

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

Mr. Danveer Singhi, the Company Secretary of the Company, is the Secretary of the Committee.

The Audit Committee Meetings are usually held at Company's Registered Office and attended by members of the Committee, Accounts Heads and Unit Heads. Representative of the Statutory Auditors and Mr. Manish Poddar, Managing Director of the Company is also invited in the meeting as and when required.

4. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of three members - Mr. Bijay Krishna Datta, Mr. Sushil Kumar Chhawchharia and Mr. Deveshwer Kumar Kapila all of them are Independent Directors. Mr. Bijay Krishna Datta is the Chairman of the Committee .

- a. The Terms of reference of the Committee are as under :
 - i. To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend to the Board their appointment, terms of appointment and/or removal;
 - ii. To formulate a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of performance of Independent Directors and the Board;
 - iii. To evaluate every Directors performance;
 - iv. To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
 - v. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - vi. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
 - vii. To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;
 - viii. To devise a policy on Board diversity.
 - ix. To carry out any other function as is mandated by the Board of Directors of the Company or prescribed by the Listing Agreement, as amended, from time to time.
 - x. To invite any employee or such document as it may deem fit for exercising of its functions
 - xi. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

During the period 1 (One) meeting of the Nomination & Remuneration Committee was held on 8th August, 2015.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

b. The attendance of its meeting are given below :

Name of Directors	Category	No. of Meetings Held	Attended
Mr. Bijay Krishna Dutta	Non-Executive Independent Director - Chairman	1	1
Mr. Sushil Kumar Chhawchharia	Non-Executive Independent Director - Member	1	1
Mr. Deveshwar Kumar Kapila	Non-Executive Independent Director - Member	1	Nil

Mr. Danveer Singhi, the Company Secretary of the Company, is the Secretary of the Committee.

c. **Performance evaluation criteria for Independent Directors :**

The following criteria may assist in determining how effective the performances of the Independent Directors have been :

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

5. REMUNERATION OF DIRECTORS :

(a) **Remuneration Policy / Criteria**

- Executive Directors :** The Company follows the policy to fix remuneration of Managing Director & Whole Time Directors by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

- ii. **Non-Executive Directors** : The Non-executive Directors (including Independent Directors) are paid sitting fees on uniform basis.
- iii. **KMPs & Senior Management Personnel** : The moto of determining policy for payment of remuneration to the KMPs and Senior Management Personnel are to motivate and retain them for longer term for the better perspective and growth of the Company. The criteria also oversees the industry trend, quality and experience of the personnel. These factors not only contributes to the Company but makes thier job satisfaction.

(b) Sitting Fees :

Presently, the Non Executive Directors are paid sitting fees for attending the meetings of the Board and its Audit and Nomination & Remuneration Committees and same is within the limits prescribed under the Companies Act, 2013.

(c) Remuneration to Directors :

The Statement of the remuneration paid/ payable to the Managing / Wholtime Directors/ Executive Directors and Sitting fees paid /payable to the Non-Executive Directors is given below :

Name of the Directors	Remuneration paid / payable for 2015-16				Service Contract	
	Salary (Rs.)	Benefits (Rs.)	Sitting Fees* (Rs.)	Pay per month (Rs.)	Period	Effective from
Mr. Manish Poddar	21,00,000/-	2,73,847/-	-	1,75,000/-	3 Years	01.04.2013
Mr. Ashok Kumar Poddar	24,00,000/-	1,21,762/-	-	2,00,000	3 Years	01.04.2015
Mrs. Madhushree Poddar	-	-	30,000/-			
Mr. Sushil Kumar Chhawchharia	-	-	65,000/-	-	-	-
Mr. Bijay Krishna Datta	-	-	65,000/-	-	-	-
Mr. Deveshwar Kumar Kapila	-	-	15,000/-	-	-	-

Notes :

1. The Directors were paid sitting fees as per the Policy of the Company.
2. The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.
3. The Notice period and severance fees are not applicable to the Executive Directors of the Company.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee presently comprises

Name of Directors	Category	Designation
Mr. Sushil Kumar Chhawchharia	Non-Executive Independent Director	Chairman
Mr. Ashok Kumar Poddar	Executive Chairman	Member
Mr. Manish Poddar	Executive Director - Managing Director	Member

Mr. Danveer Singhi, the Company Secretary of the company, is the compliance officer of the Committee.

The Committee oversees the disposal of all complains / grievances of shareholders like non-transfer and transmissions of shares, non-receipt of Annual Report, non-receipt of declared Dividend, dematerialization & re-materialization of Shares, etc.

No request for Share transfer/ transmission remains pending for registration for more than 15 days. No complaint / query is received by the Company during the financial year and no complaint and no request for share transfer/ transmission is pending as on 31st March, 2016.

Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under :

Nature of Complaints	Received	Resolved / Replied	Pending
Non-receipt of share certificates	Nil	Nil	Nil
Non-receipt of dividend	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	Nil	Nil	Nil

Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES") :

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA/ STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further,

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

there is no need to file any physical ATRs with SEBI. **The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.**

7. OTHER COMMITTEES

I. SHARE TRANSFER COMMITTEE

The committee presently comprises of Mr. Ashok Kumar Poddar, Mr. Manish Poddar and Mr. Sushil Kumar Chhawachharia. Mr. Ashok Kumar Poddar is the Chairman of the Committee.

Mr. Danveer Singhi, the Company Secretary of the Company, is the compliance officer of the Committee.

The Share Transfer Committee meet as and when required and is entrusted with Transfer / transmission of shares, issue of duplicate share certificates, change of name / status, transposition of names, sub-division / consolidation of share certificates, dematerialisation / rematerialisation of shares, etc.

II. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE :

The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and shall monitor the implementation of approved CSR policy and shall meet periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it. The CSR Committee was re-constituted on 23rd May, 2016 and presently comprises of Mr. Sushil Kumar Chhawachharia, Mr. Bijay Krishna Datta and Mrs. Madhushree Poddar. Mr. Sushil Kumar Chhawachharia is the Chairman of the Committee.

Mr. Danveer Singhi, the Company Secretary of the Company, is the compliance officer of the Committee.

Terms of reference :

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
2. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
3. To monitor the implementation of the framed CSR Policy.
4. To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.
5. To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case maybe, to be attended by this Committee.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

8. General Body Meetings :

a) Date, Time and Venue where last three Annual General Meetings held :

Year	Date & Time	Venue	If Special Resolution(s) passed
2014-15	26th September, 2015 10.30 AM	16A, Brabourne Road Kolkata-700 001	Yes
2013-14	27th September, 2014 10.30 AM	16A, Brabourne Road Kolkata-700 001	No
2012-13	10th August, 2013 10.30 AM	16A, Brabourne Road Kolkata-700 001	Yes

(b) Two Special Resolutions were passed in the last 42nd Annual General Meeting held on 26th September, 2015 for the year 2014-15 and one Special Resolution was passed in the 40th Annual General Meeting held on 10th August, 2013 for the year 2012-13.

(c) **Two Special Resolutions were passed through Postal Ballot Meeting on 12th February, 2015 during the financial year 2014-15** in respect of borrowing powers and to create charge/ mortgage on the properties of the Company and the postal ballot exercise was conducted by Mr. Danveer Singhi, Company Secretary of the Company.

Voting Pattern of Postal Ballot :

Promoter/ Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes in against	% of votes in favour on votes polled	% of votes against on votes polled
	(1)	(2)	(3)=[(2)/ (1)]*100	(4)	(5)	(6)=[(4)/ (2)]*100	(7)=[(5)/ (2)]*100
Resolution No. 1 - Creation of Charge/Mortgage on Company's properties							
Promoter and Promoter Group	4714804	4216400	89.4290%	4216400	NIL	100%	NIL
Public - Institutional holders	NIL	NIL	NIL	N.A.	N.A.	N.A.	N.A.
Public - Others	1667347	591	0.0354%	589	2	99.6616%	0.3384%
TOTAL	6382151	4216991	66.0748%	4216989	2	99.9999%	0.0000%
Resolution No. 2 - Authority to Borrow Money							
Promoter and Promoter Group	4714804	4216400	89.4290%	4216400	NIL	100%	NIL
Public – Institutional holders	NIL	NIL	NIL	N.A.	N.A.	N.A.	N.A.
Public - Others	1667347	591	0.0354%	589	2	99.6616%	0.3384%
TOTAL	6382151	4216991	66.0748%	4216989	2	99.9999%	0.0000%

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

- d) No special resolution proposed to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder.

9. MEANS OF COMMUNICATION :

The un-audited / audited quarterly financial results along with limited review report/ audit report by the Auditors in the prescribed format are taken on record by the Board of Director at its meeting within the prescribed time of the close of every quarter and the same are furnished to the stock Exchanges where the Company's shares are listed. The results are also published within 48 hours of conclusion of Board Meeting in the Business Standard, The Financial Express in English and Dainik Lipi, Kalantar in Bengali. The financial results are also displayed on the Company's website : www.gayatrigrup.co.

The Company's website display official news releases as and when occurred.

No presentation has been made to Institutional Investors or Analysts.

10. General Information for Shareholders :

- | | |
|---|---|
| a. Annual General Meeting
(Date, Time & Venue) | : Date : 24th September, 2016
Time : 10.30 A.M
Venue : 16A, Brabourne Road, 9th Floor,
Kolkata - 700001 |
| b. Financial year | : April to March |
| c. Dividend payment | : The Board have not recommended any Dividend on Equity Shares for the financial year ended on 31st March, 2016 |
| d. Date of Book Closure | : 17.09.2016 to 24.09.2016 (both days inclusive) |
| e. Listing Details | : The Shares of the Company are listed on The Calcutta Stock Exchange Association Ltd. (CSE) at 7, Lyons Range, Kolkata - 700 001 and BSE Ltd. at 25, P. J. Towers, Dalal Street Mumbai-400 001.
The Scrip code of the shares of the Company at CSE is 10012589 and BSE is 538789.

No listing fees is due as on date to both CSE and BSE. |
| f. Stock Market Price Data | : Monthly High/Low price during the last Financial Year at the Bombay Stock Exchange and Calcutta Stock Exchange depicting liquidity of the Equity |

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

Shares is given hereunder :

	BSE / Calcutta Stock Exchange		
Month	Month's High Price	Month's Low Price	Volume
April 2015	NT	NT	NA
May 2015	NT	NT	NA
June 2015	NT	NT	NA
July 2015	NT	NT	NA
August 2015	NT	NT	NA
September 2015	NT	NT	NA
October 2015	NT	NT	NA
November 2015	NT	NT	NA
December 2015	NT	NT	NA
January 2016	NT	NT	NA
February 2016	NT	NT	NA
March 2016	NT	NT	NA

NT denotes 'No Trading' in the Stock Exchange due to non-functional of trading platform of the CSE and no trading took place in BSE.

- g) Share price performance in comparison to broad based indices BSE Sensex for the financial year 2015-16 :

Month	BSE SENSEX (Closing)	Monthly Closing Price at BSE
April 2015	27,011.31	NT
May 2015	27,828.44	NT
June 2015	27,780.83	NT
July 2015	28,114.56	NT
August 2015	26,283.09	NT
September 2015	26,154.83	NT
October 2015	26,656.83	NT
November 2015	26,145.67	NT
December 2015	26,117.54	NT
January 2016	24,870.69	NT
February 2016	23,002.00	NT
March 2016	25,341.86	NT

No comparison to broad based indices such as BSE Sensex/ CRISIL Index, etc. could be drawn since there is no trading in the BSE/ CSE during the financial year.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

h. Registrar and Share Transfer Agent: M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata-700 001
Tel : 033 2243 5029 / 2243 5809
E-mail : mdpldc@yahoo.com
Website : www.mdpl.in

i. Share Transfer System : Share Transfer System is entrusted to the Registrar and Share Transfer Agents. The Share Transfer Committee is empowered to approve the Share Transfers. Transfer Committee Meeting is held as and when required. The Share Transfer, transmission of shares, Issue of duplicate certificate, etc. is endorsed by Directors/ Executives/Officers as may be authorised by the Transfer Committee. Requests for transfers received from members and miscellaneous correspondence are processed/ resolved by the Registrars within stipulated time.

j. Distribution of Shareholding as on 31st March, 2016

No. of Ordinary Shares held	No. of shares	% of Shares	No. of share-holders/Folios	% of Shareholders
Up to 500	38344	0.6008	550	92.9054
501 to 1,000	5867	0.0919	9	1.5203
1,001 to 2,000	4756	0.0745	3	0.5067
2,001 to 3,000	13386	0.2098	5	0.8446
3,001 to 4,000	14107	0.2210	4	0.6757
4,001 to 5,000	NIL	Nil	Nil	Nil
5,001 to 10,000	41982	0.6578	5	0.8446
10,001 and above	6263709	98.1442	16	2.7027
Total	6382151	100.00	592	100.00

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

k. Shareholding pattern as on 31st March, 2016 :

Category	No. of Shares	%
Promoters	4714804	73.8748
Mutual Fund/UTI	Nil	Nil
Banks/Financial Institutions / Insurance		
Companies/Govt. Company	53948	0.8453
Private Corporate Bodies	1561744	24.4705
NRIs/Foreign Shareholders	2335	0.0366
Public/Others	49320	0.7728
Total	6382151	100.00

- l. Dematerialisation of Shares : ISIN : INE 948C 01026
62,06,960 shares of the Company are held in Dematerialized form representing 97.25% of the paid-up share Capital of the Company as on 31st March, 2016.
- m. Outstanding Instruments : The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments. As such there is no impact on Equity Shares of the Company.
- n. Commodity Price Risk / Foreign Exchange Risk and Hedging activities : Not applicable to the Company as Company is not associated with hedging activities.
- o. Plant Location : 64, Moulana Azad Road, P.O. Budge Budge Dist. 24 Pgns (S), Pin - 743 319, West Bengal
- p. Address for correspondence : **Budge Budge Company Limited**
16A, Brabourne Road, 9th Floor
Kolkata - 700 001.
Phone : 033-4010 8000
Fax : 033-4010 8080
Email id : bbcl@gayatrigroup.co
- q. Contact Person : Mr. Danveer Singhi, Company Secretary

11. OTHER DISCLOSURES :

- a. Disclosures on materially significant related party transactions i. e. transactions of the Company of material nature, with its promoters, the Directors or the management, their

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years.**

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority related to the capital markets during last three years.

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last three years.

- c. Vigil Mechanism / Whistle Blower Policy :**

The Whistle Blower policy of the Company is in place and the Company has not denied access to Audit Committee to any personnel of the Company.

- d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :**

The Company has complied with all the applicable mandatory requirements of the Clause 49 of the Listing Agreement / applicable Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid clause :-

Reporting of Internal Auditor : The Internal Auditors report directly to the Audit Committee.

The Company has taken cognizance of other non - mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

- e. Accounting Treatment in preparation of financial statement :**

The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.

- f. Policy for determining 'material' subsidiaries :**

The Company does not have any material non-listed Indian subsidiary as defined in Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- g. Web link where policy on dealing with related party transactions :**

Policy on dealing with related party transaction is displayed at the website of the Company www.gayatrigroup.co

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

h. Disclosures of commodity price risks and commodity hedging activities :

The Company is not associated with hedging activities.

i. Risk Management :

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

j. CEO / CFO certification :

The CEO / CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

k. Management Discussion and Analysis Report :

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

12. DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS AS DETAILED ABOVE, WITH REASONS THEREOF

There is no non-compliance of any requirement of Corporate Governance Report of sub-paras as detailed above, thus no explanations need to be given.

13. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED

- a. Office to Non-executive Chairperson : Since the Company is headed by Executive Chairman, maintenance of separate office is not required.
- b. Your Company is under process of updating its system for sending a half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders.
- c. The financial statement of your Company is continued to be with unmodified audit opinion.
- d. Separate posts of Chairperson & CEO : The Company has already appointed separate persons as Chairperson and Managing Director or CEO. Presently Mr. Ashok Kumar Poddar is the Chairperson of the Company and Mr. Manish Poddar is the Managing Director and CEO of the Company.
- e. The Internal Auditors reports directly to the Audit Committee.

BUDGE BUDGE COMPANY LIMITED

CORPORATE GOVERNANCE (Contd.)

14. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT :

As on 31st March, 2016, there are no outstanding shares of the Company lying in the demat suspense/ unclaimed suspense account.

15. CODE OF CONDUCT :

The Company has framed Code of Conduct for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company who have affirmed compliance with the same as on 31st March, 2016. Duties of the Independent Directors have suitably been incorporated in the code. The Code is displayed on the Company's website: www.gayatrigroup.co A declaration signed by the Managing Director & CEO is annexed as Annexure 'E'.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992 (as amended), the Board has approved the 'Code of Conduct for prevention of Insider Trading' and entrusted the Audit Committee to monitor the compliance of the code. The Board at its meeting held on 23rd May, 2015 has approved and adopted the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the code of practices and procedure for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

16. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 to 27 AND CLAUSES (b) TO (i) OF SUB - REGULATION (2) OF REGULATION (46)

The Company has complied with the requirements of aforesaid Regulations.

Registered Office :

16A, Brabourne Road

Kolkata - 700 001

Date : 12th August, 2016

For Budge Budge Company Ltd.

Ashok Kumar Poddar

Whole-time Director

DIN : 00282924

Manish Poddar

Managing Director

DIN : 00283036

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - C TO THE DIRECTORS' REPORT

ANNEXURE - C TO THE DIRECTORS' REPORT

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE LISTING AGREEMENT WITH STOCK EXCHANGES

To,
The Members of
M/s. Budge Budge Company Limited

I have examined the Compliance of Corporate Governance by M/s. Budge Budge Company Limited for the Financial Year 2015-16, as stipulated in Clause 49 of the erstwhile Listing Agreement / applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the condition of Corporate Governance as stipulated in Clause 49 of the abovementioned erstwhile Listing Agreement / applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 12.08.2016

Sd/-
Santosh Kumar Tibrewalla
Practicing Company Secretary
Membership No. : 3811
Certificate of Practice No. : 3982

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - D TO THE DIRECTORS' REPORT

ANNEXURE - D TO THE DIRECTORS' REPORT

Certification by Managing Director - Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company

The Board of Directors,
Budge Budge Company Ltd.
16A, Brabourne Road, 9th Floor
Kolkata - 700 001.

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Manish Poddar, Managing Director - CEO and Praveen Kumar Ghorawat, CFO, Certify that :

1. We have reviewed financial statements and the cash flow statement for the financial year 2015-16 and to our best of knowledge, belief and information :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To our best of knowledge and belief, no transactions entered into by the Company during the financial year 2015-16 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we are aware and we have taken or propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee :
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Budge Budge Company Ltd.

Place : Kolkata
Date : 12.08.2016

Manish Poddar
Managing Director
DIN : 00283036

Praveen Kumar Ghorawat
Chief Financial Officer

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - E TO THE DIRECTORS' REPORT

ANNEXURE - E TO THE DIRECTORS' REPORT

Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(II)(E) of Listing Agreement/ Regulations 26 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Manish Poddar, Managing Director-CEO of M/s. Budge Budge Company Limited declare that as of 31st March, 2016 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

For Budge Budge Company Ltd.

Place : Kolkata

Date : 12 August, 2016

Manish Poddar

Managing Director & CEO

DIN : 00283036

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - F TO THE DIRECTORS' REPORT

ANNEXURE - F TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis report has been prepared in compliance with the requirements of Listing Agreement/ Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and contains expectations and projections about the strategy for growth, product development, market position, expenditures and financial results. The Company's actual results, performance or achievements could differ from those projected in such forward looking statements on the basis of any subsequent development, information or events for which the Company do not bear any responsibility.

a) Industry Structure and Development :

Government of India has been taking different measures to protect the jute Industry and accordingly extended the validity of the Jute Packaging Materials (Compulsory use for Packing Commodities) Act, 1987 for another year but they have kept the Reservation level for sugar packing at 20% in spite of the request from Industry for 100% reservation. Apart from this Government has also introduced schemes for diversified products like geo textiles. National jute Board has also framed schemes for welfare of worker's like scholarship scheme and export market development assistance.

Industry faced a huge crisis of Raw Jute in the current year and due to shortage of Raw Jute the price of same jumped to unprecedented level which was highest till date. Government of India had taken steps to control the prices by stipulating stock limits for holding raw jute but inspite of all measures the prices remained high and availability was also very poor. Industry had to cut down production for this reason.

b) Opportunities and threats / Risk and concerns :

Opportunities :

Jute being a natural bio-degradable fibre is environment friendly and use of Jute goods in different areas like Jute Geo textiles is being promoted. Some diversified products are being developed in the Industry for export markets.

Threats :

- i) Industry is facing fierce competition from Bangladesh in International Market due to their low cost of production and cash Subsidy. Moreover increase in production capacity in Bangladesh is creating new problems for the Indian Jute Industry. Bangladesh Jute Goods such as Yarn and Sacking bags are being imported in India in large quantities and causing loss to local Industry.
- ii) Cheap alternate packaging materials from China available in the market, which again is a threat to Jute Industry.
- iii) Farmers are reluctant to take up jute crop as new generation of workers are interested in alternate opportunities.

c) Segment wise or product wise performance :

The Company is mainly engaged in the business of Manufacturing of Jute Goods and hence segment wise performance is not required to be disclosed.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - F TO THE DIRECTORS' REPORT (Contd.)

The following disclosure under Geographical segment has, however, been considered on the basis of sales for the Jute goods :

- Within India - Rs. 20960.36 lakh (previous year Rs. 14779.16 lakh)
- Outside India - Rs. NIL (previous year Rs. NIL lakh)

d) Outlook :

Demand for Jute Goods during the year 2016-17 is expected to be very high as Govt. Agencies have projected good crop and higher procurement. Again Govt. has increased the Minimum price for Raw Jute for the next season and this will result in increase in the price of Raw Jute in the season 2016-17. The next crop is expected to be bumper crop as the farmers had got very good price in the last year and sowing of jute crop is much higher than last year. The weather conditions are also favourable for jute crop. Prices for August delivery has coming down as availability will be better. Apart from Raw Jute prices, the cost of production remains a point of concern. All input costs such as wages, power and other consumables etc. are increasing continuously.

The company is taking appropriate steps to keep the costs under control. The outlook for the current year remains positive.

e) Internal control systems and their adequacy :

Your company has an adequate system of internal control, which provides reasonable assurance with regard to safeguarding the company's assets, promoting operational efficiency and ensuring compliance with various statutory provisions. The Audit Committee of the Board plays a significant role in the internal control system and reviews the scope of internal audit work and internal Audit reports, financial performance of the company and suggests improvements in the internal control systems wherever required.

f) Discussion on financial performance with respect to operational performance :

Sale of Jute goods during the year was Rs. 20960.36 lac as compared to Rs. 14779.16 lac during previous year. Operating profit for the year was Rs. 187.52 lac as compared to loss of Rs. 48.23 lac in the previous year.

g) Material developments in Human Resources/ Industrial Relations front, including number of people employed :

Employment of workers at new pay scale and training programmes for the workers are being continued. Steps have been taken to provide residential quarters within the mill compound for outside workers as well. The company is making all efforts to train the workers and increase their skills by way of continuous training but Industry wide shortage of workers is a matter of great concern for all. The relations with the unions were cordial during the year.

There were 4317 permanent employees on the rolls of Company as on March 31, 2016.

h) Cautionary statement :

Statement made in this section of the report is based on the prevailing position in the Jute industry and market conditions. Actual results could however differ materially from those expressed or implied with regard to Company's Outlook and Performance.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - G TO THE DIRECTORS' REPORT

ANNEXURE - G TO THE DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2015-16 (Rs. in lacs)	% increase in Remuneration in the financial year 2015-16	Ratio of remuneration of each Director/to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri Ashok Kumar Poddar Executive Chairman	25.22	3.40	38.08	Profit Before Tax increased to Rs. 187.52 lacs from previous year loss of Rs. 48.23 lacs and Profit After Tax increased to Rs. 167.89 lacs from previous year loss of Rs. 65.47 lacs.
2	Shri Manish Poddar Managing Director	23.73	NIL	36.52	
3	Shri Praveen Kumar Ghorawat Chief Financial Officer	5.01	47.35	7.70	Profit Before Tax increased to Rs. 187.52 lacs from previous year loss of Rs. 48.23 lacs and Profit After Tax increased to Rs. 167.89 lacs from previous year loss of Rs. 65.47 lacs.
4	Shri Danveer Singhi Company Secretary & Compliance Officer	10.64	7.69	16.37	

Note : No other Director other than the Managing Director and Executive Chairman received any remuneration other than sitting fees during the financial year 2015-16.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 0.65 lakh.
- iii) In the financial year, there was an increase of 4.84% in the median remuneration of employees;
- iv) There were 4317 permanent employees on the rolls of Company as on March 31, 2016.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - G TO THE DIRECTORS' REPORT (Contd.)

- v) Relationship between average increase in remuneration and company performance :- The Profit Before Tax for the financial year ended March 31, 2016 decreased by 113% whereas the increase in median remuneration was 4.84%. The average increase in median remuneration was in line with the performance of the Company and partly on individual employee's performance.
- vi) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 5.09% from Rs. 61.48 lakh in 2014-15 to Rs. 64.61 lakh in 2015-16 whereas the Profit Before Tax increased by 113% to Rs. 187.52 lakh in 2015-16 (Loss Rs.48.22 lakh in 2014-15).
- vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer :

	Closing Market Price per Share (Rs.)		Percentage Increase	Price Earnings Ratio		Market Capitalisation (Rs. in Crores)	
	As on 31.03.2015	As on 31.03.2016		As on 31.03.2015	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016
CSE*	-	-	-	-	-	-	-
BSE*	-	-	-	-	-	-	-

*There was no trading in both the Stock Exchanges.

The Company has not made any Public Issue or Rights Issue of securities in the last 10 (ten) years, and therefore no comparison has been made of current share price with public offer price.

The Company's shares are listed on Calcutta Stock Exchange Limited and BSE Limited.

- viii) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2015-16 was 1.92% whereas the increase in the managerial remuneration for the same financial year was 5.09%.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors and Senior Management Personnel.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – The Executive Chairman is the highest paid Director. No employee received remuneration higher than the Executive Chairman.
- xi) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2016 as per the Remuneration Policy of the Company.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - H TO THE DIRECTORS' REPORT

ANNEXURE - H TO THE DIRECTORS' REPORT

ANNUAL RETURN ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web - link to the CSR policy and projects or programs.

The CSR Policy of the Company primarily focuses on following areas :-

1. Health care including preventive health care;
2. Sanitizing of Public Places;
3. Promoting education, infrastructural support to schools, providing scholarships;
4. Ensuring environmental sustainability;
5. Rural development projects;
6. Contribution towards recognized Trusts;
7. Any other activities as per decision of the CSR Committee.

The details of the policy are available at Companies website : www.gayatrigroup.co

2. The composition of the CSR Committee.

CSR Committee presently comprised of following members* :-

Sl. No.	Name	Designation	Nature of Directorship
1.	Mr. Sushil Kumar Chhawchharia	Chairman	Non Executive – Independent Director
2.	Bijay Krishna Datta	Member	Non Executive – Independent Director
3.	Mrs. Madhushree Poddar	Member	Non Executive Director

* w.e.f. 23.5.2016

3. Average net profit of the Company for the last three financial years : Average net profit for the f.y. 2012-13, 2013-14 and 2014-15 is Rs. 311.31 Lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs. 6.23 lakhs (2% of Rs. 311.31 Lakhs is Rs. 6.23 lakhs)
5. Details of CSR spent for the financial year :
 - (a) Total amount to be spent for the financial year : Rs. 6.23 lakhs.
 - (b) Amount unspent, if any : Rs. 6.23 lakhs.

Amount outlay (budget) project or program wise

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - H TO THE DIRECTORS' REPORT (Contd.)

(c) Manner in which the amount spent during the financial year is detailed below :

(Rs. in lac)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other area (2) Specify the State and district where projects or Programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-Heads: (1) Direct expenditure on projects or programs (2) Over - heads :	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
	Not identified by CSR Committee during f.y. 2015-16	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	TOTAL	-	-	-	-	-	-

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report :**

The CSR Committee currently is in process of undertaking different CSR activities commensurate to its divergent locations and the quantum of money to be spent in the best interest of the society. The Committee would spend the money for the financial year including accumulated balance in the current financial year onwards after taking into account all the aforesaid aspects.

In the meantime, the Committee has assessed and quantified Rs. 15,69,068/-, being the amount proposed to be spent including accumulated balance for CSR expenditure.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company :**

The CSR Committee presently confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

sd/-
Manish Poddar
 (Managing Director)
 DIN : 00283036

sd/-
Sushil Kumar Chhawchharia
 (Chairman CSR Committee)
 DIN : 00007780

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I TO THE DIRECTORS' REPORT

ANNEXURE - I TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Budge Budge Company Limited
16A, Brabourne Road
Kolkata - 700 001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Budge Budge Company Limited** (hereinafter called 'the Company') bearing CIN : L26941WB1973PLC028796. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Budge Budge Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Budge Budge Company Limited ('the Company') for the financial year ended on 31st March, 2016, **to the extent Acts / provisions of the Acts applicable**, according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I TO THE DIRECTORS' REPORT (Contd.)

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the following laws specifically applicable to the Company :-
- (a) Jute Manufactures Cess Act, 1983 ;
 - (b) Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 ;
 - (c) Jute Packaging Materials Rules 1987 ;
 - (d) Indian Boilers Act 1923 ; and
 - (e) Jute & Jute Textiles Control Orders 2000 & 2016 as issued under Essential Commodities Act, 1955.

I have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Ltd. and BSE Limited;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I TO THE DIRECTORS' REPORT *(Contd.)*

Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review and the composition of Board of Directors of the Company is in conformity with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has no reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards, etc. referred to above.

Place : Kolkata
Date : 28.07.2016

Sd/-
Santosh Kumar Tibrewalla
Practicing Company Secretary
Membership No. : 3811
Certificate of Practice No. : 3982

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT

MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L26941WB1973PLC028796
ii	Registration Date	10.05.1973
iii	Name of the Company	Budge Budge Company Limited
iv	Category / Sub-Category of the Company	Public Company limited by Shares
v	Address of the Registered office of the company and contact details	16A, Brabourne Road, Kolkata - 700 001 E-mail ID : bbcl@gayatrigroup.co Phone No. 033-4010-8000 Fax : 033-4010-8080
vi	Whether listed company - Yes/No	Yes
vii	Name, Address and Contact details of Registrar and transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor Kolkata - 700 001 E-mail ID : mdpldc@yahoo.com Phone No. : 033-22435029 Fax : 033-22484787

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Hessian Cloth	5310	15.17
2	Jute Sacking Bags	6305	83.43

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Rash Behari Construction Private Limited 16A, Brabourne Road, 9th Floor, Kolkata-700001	U45201WB1998PTC088224	Associate	33%	2(6)
2.	South West Fintrade Udyog Limited 16A, Brabourne Road, Kolkata - 700001	U17122WB1977PLC030853	Associate	41.74%	2(6)
3.	Vasavi Infrastructure Projects Limited 16A, Brabourne Road, Kolkata - 700001	U45209WB1992PLC054118	Subsidiary	96.04%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2015)				No. of Shares held at the end of the year (As on 31st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual /HUF	4233808	2280	4236088	66.3740	4233808	2280	4236088	66.3740	Nil
b) Central Govt	0	0	0	0	0	0	0	0	Nil
c) State Govt (s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	478716	0	478716	7.5009	478716	0	478716	7.5009	Nil
e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any Other...	0	0	0	0	0	0	0	0	Nil
Sub-total (A) (1):-	4712524	2280	4714804	73.8748	4712524	2280	4714804	73.8748	Nil
2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	Nil
b) Other – Individuals	0	0	0	0	0	0	0	0	Nil
c) Bodies Corp.	0	0	0	0	0	0	0	0	Nil

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

d) Banks / FI	0	0	0	0	0	0	0	0	Nil
e) Any Other...	0	0	0	0	0	0	0	0	Nil
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	Nil
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	4712524	2280	4714804	73.8748	4712524	2280	4714804	73.8748	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	Nil
b) Banks / FI	14140	22208	36348	0.5695	14140	22208	36348	0.5695	Nil
c) Central Govt.	0	0	0	0	0	0	0	0	Nil
d) State Govt(s)	0	0	0	0	0	0	0	0	Nil
e) Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
f) Insurance Companies	17600	0	17600	0.2758	17600	0	17600	0.2758	Nil
g) FIs	0	0	0	0	0	0	0	0	Nil
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	Nil
i) Others (specify)	0	0	0	0	0	0	0	0	Nil
Sub-total (B)(1):-	31740	22208	53948	0.8453	31740	22208	53948	0.8453	Nil
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	1453212	108532	1561744	24.4705	1453595	108149	1561744	24.4705	Nil
(ii) Overseas	0	2335	2335	0.0366	0	2335	2335	0.0366	Nil
b) Individuals									
(i) Individual share-holders holding nominal share capital upto Rs.1 lakh	9101	40219	49320	0.7728	9101	40219	49320	0.7728	Nil
(ii) Individual share-holders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	Nil
c) Others (Specify)	0	0	0	0	0	0	0	0	Nil
Sub-total (B)(2):-	1462313	151086	1613399	25.2799	1462696	150703	1613399	25.2799	Nil

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

Total Public Shareholding (B)= (B)(1)+ (B)(2)	1494053	173294	1667347	26.1252	1494436	172911	1667347	26.1252	Nil
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	Nil
Grand Total (A+ B+ C)	6206577	175574	6382151	100.00	6206960	175191	6382151	100.00	Nil

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2015)			Share holding at the end of the year (As on 31st March, 2016)			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashok Kumar Poddar HUF	1436100	22.5018	Nil	1436100	22.5018	Nil	Nil
2	Manish Poddar	1004780	15.7436	Nil	1004780	15.7436	Nil	
3	Madhushree Poddar	740600	11.6042	Nil	740600	11.6042	Nil	
4	Divya Poddar	634100	9.9355	Nil	634100	9.9355	Nil	
5	Vasavi Poddar	400000	6.2675	Nil	400000	6.2675	Nil	
6	A.M. Udyog Limited	376660	5.9018	Nil	376660	5.9018	Nil	
7	Poddar Udyog Ltd	57441	0.9000	Nil	57441	0.9000	Nil	
8	Adventz Securities Enterprises Limited	44615	0.6991	Nil	44615	0.6991	Nil	
9	Bimal Kumar Poddar	11777	0.1845	Nil	11777	0.1845	Nil	
10	Vinod Kumar Poddar	2924	0.0458	Nil	2924	0.0458	Nil	
11	Arun Kumar Poddar	2707	0.0424	Nil	2707	0.0424	Nil	
12	Saroj Kumar Poddar	2280	0.0357	Nil	2280	0.0357	Nil	
13	Ashok Kumar Poddar	820	0.0128	Nil	820	0.0128	Nil	
	Total	4714804	73.8748	Nil	4714804	73.8748	Nil	

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

iii) Change in Promoters' Shareholding :

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	a) At the Beginning of the year (01.04.2015)	There is no change in Promoter's Shareholding between 1st April, 2015 and 31st March, 2016			
	b) Changes during the year				
	c) At the end of the year (31.03.2016)				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Names of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	The Amalgamated Coalfields Ltd. At the Beginning of the Year At the end of the year	26766	0.4194	26766	0.4194
2	Jayanti Commercial Ltd. At the Beginning of the Year At the end of the year	302160	4.7345	302160	4.7345
3	Life Insurance Corporation of India At the Beginning of the Year At the end of the year	14426	0.2260	14426	0.2260
4	Raghuvir Realtors Pvt. Ltd. At the Beginning of the Year At the end of the year	1146500	17.9642	1146500	17.9642
5	Continental Projects Ltd. At the Beginning of the Year At the end of the year	30982	0.4854	30982	0.4854
6	Vijay Kr. Dhandhanja At the Beginning of the Year At the end of the year	10000	0.1567	10000	0.1567

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

Sl. No.	Names of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
7	The Pench Vally Coal Co. Ltd. At the Beginning of the Year At the end of the year	9982	0.1564	9982	0.1564
8	Precon Traders & Exporters (P) Ltd. At the Beginning of the Year At the end of the year	10299	0.1614	10299	0.1614
9	Pragati Business Ltd. At the Beginning of the Year At the end of the year	26503	0.4153	26503	0.4153
10	The State Industrial & Investments At the Beginning of the Year At the end of the year	10000	0.1567	10000	0.1567

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Names of the Directors and KMP*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Ashok Kumar Poddar (Karta of HUF) - Executive Chairman At the Beginning of the Year At the end of the year	1436100	22.5018	1436100	22.5018
2	Manish Poddar - Managing Director & KMP At the Beginning of the Year At the end of the year	1004780	15.7436	1004780	15.7436
3	Ashok Kumar Poddar - Executive Chairman At the Beginning of the Year At the end of the year	820	0.0128	820	0.0128
4	Madhushree Poddar - Non-Executive Director At the Beginning of the Year At the end of the year	740600	11.6042	740600	11.6042

* Note: Other Directors on the Board and Key Managerial Personnel's are not holding any share of the Company.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year (1st April, 2015)				
i) Principal Amount	1273.60	357.57	NIL	1631.17
ii) Interest due but not paid	6.62	419.98	NIL	426.60
iii) Interest accrued but not due	NIL	0.76	NIL	0.76
Total (i+ ii+ iii)	1280.22	778.31	NIL	2058.53
Change in Indebtedness during the financial year				
• Addition	158.81	35.25	NIL	194.06
• Reduction				
Net Change	158.81	35.25	NIL	194.06
Indebtedness at the end of the financial year (31st March, 2016)				
i) Principal Amount	1433.39	367.57	NIL	1801.96
ii) Interest due but not paid	4.64	445.23	NIL	449.87
iii) Interest accrued but not due	NIL	0.76	NIL	0.76
Total (i+ ii+ iii)	1439.03	813.56	NIL	2252.59

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WT/Manager			Total Amount
			Ashok Kumar Poddar (Executive Chairman)	Manish Poddar (Managing Director & KMP)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		24.00	21.00	45.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		1.22	2.73	3.95
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	NIL	NIL

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
			Ashok Kumar Poddar (Executive Chairman)	Manish Poddar (Managing Director & KMP)	
2	Stock Option		NIL	NIL	NIL
3	Sweat Equity		NIL	NIL	NIL
4	Commission - as % of profit - others, specify.....		NIL	NIL	NIL
5	Others, please specify		NIL	NIL	NIL
	Total (A)		25.22	23.73	48.95
	Ceiling as per the Act	Due to inadequate profit ceiling applies as per Section II of Part II of Schedule V.			

B. REMUNERATION TO OTHER DIRECTORS :

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Bijay Krishna Datta	Sushil Kumar Chhawchharia	Deveshwer Kumar Kapila		
1	Independent Directors					
	• Fee for attending board / committee meetings • Commission • Others, please specify	0.65	0.65	0.15	—	1.45
	Total (1)	0.65	0.65	0.15	—	1.45
2	Other Non-Executive Directors				Madhushree Poddar	
	• Fee for attending board / committee meetings • Commission • Others, please specify	—	—	—	0.30	0.30
	Total (2)	—	—	—	0.30	0.30
	Total (B)= (1+ 2)	0.65	0.65	0.15	0.30	1.75
	Total Managerial Remuneration					50.7
	Overall Ceiling as per the Act	1% of Net Profit during the financial year and Rs. 100,000 to each of the Director per meeting of Board or Committee thereof.				

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - J TO THE DIRECTORS' REPORT (Contd.)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Danveer Singhi (Company Secretary)	Praveen Kumar Ghorawat (CFO)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	8.40 2.24 NIL	3.96 1.05 NIL	12.36 3.29 NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify.....	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total	10.64	5.01	15.65

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment		NIL			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		NIL			
Compounding					
C. OTHER OFFICER IN DEFAULT					
Penalty					
Punishment		NIL			
Compounding					

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - K TO THE DIRECTORS' REPORT

ANNEXURE - K TO THE DIRECTORS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A" : Subsidiaries

(Amounts in Rs.)

1.	Sl. No.	1
2.	Name of the Subsidiary	Vasavi Infrastructure Projects Limited
3.	The date since when subsidiary was acquired	21/06/2007
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
5.	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
6.	Share capital	2,47,00,000
7.	Reserves & surplus	1,36,81,454.46
8.	Total assets	23,11,84,989.58
9.	Total Liabilities	19,28,03,535.12
10.	Investments	3,95,86,018
11.	Turnover	Nil
12.	Profit before taxation	5,68,120.70
13.	Provision for taxation	82,920
14.	Profit after taxation	4,85,200.70
15.	Proposed Dividend	Nil
16.	Extent of shareholding (in percentage)	96.04%

Other information :

- Names of subsidiaries which are yet to commence operations : Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year : Not Applicable.

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - K TO THE DIRECTORS' REPORT (Contd.)

Part "B": Associates and Joint Ventures :

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Name 1 : South West Fintrade Udyog Limited (previously A. M. Udyog Ltd.)	Name 2 : Rash Behari Construction Private Limited
1. Latest audited Balance Sheet Date	06.05.2016	06.05.2016
2. Date on which the associate or joint venture was associated or acquired	01.04.2005	01.04.2005
3. Shares of Associate or Joint Ventures held by the company on the year end		
No.	Equity – 678405 of Rs. 10/- each 11% Redeemable Cumulative Preference Share – 7 shares of Rs. 100/- each	Equity – 7500 of Rs. 10/- each
Amount of Investment in Associates or Joint Venture	Rs. 65,58,925/-	Rs. 75,000/-
Extend of Holding (in percentage)	41.74% - Equity	33% - Equity
4. Description of how there is significant influence	Holding more than 20% of total share capital pursuant to Section 2(6) of Companies Act, 2013	Holding more than 20% of total share capital pursuant to Section 2(6) of Companies Act, 2013
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 17,54,090.27	Rs. 68,958.78
7. Loss for the year	Rs. 12,139.60	Rs. 34,872.25
i. Considered in Consolidation	Yes	Yes
ii. Not Considered in Consolidation	N.A.	N.A.

Other information :

- Names of associates or joint ventures which are yet to commence operations : Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year : Not Applicable

For and on behalf of the Board of Directors

For Budge Budge Company Ltd.

Place : Kolkata	Ashok Kumar Poddar <i>Chairman</i>	Manish Poddar <i>Managing Director</i>	Praveen Kumar Ghorawat <i>Chief Financial Officer</i>	Danveer Singhi <i>Company Secretary</i>
Date : 12 August, 2016	DIN : 00282924	DIN : 00283036		

BUDGE BUDGE COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BUDGE BUDGE COMPANY LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **BUDGE BUDGE COMPANY LIMITED**, ('the Company') which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statement 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

BUDGE BUDGE COMPANY LIMITED

AUDITORS' REPORT (Contd.)

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 28 to the financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

For JAIN & CO.
Chartered Accountants
Registration No. 302023E
CA M. K. JAIN
Partner
Membership No. 055048

BUDGE BUDGE COMPANY LIMITED

AUDITORS' REPORT (Contd.)

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

REFEERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that :

1. a) The company has maintained proper records showing full particulars including, quantitative details and situation of fixed assets.
b) As explained to us some of the fixed assets have been physically verified by the management at reasonable intervals. We have been informed that 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.
2. a) As explained to us, inventory has been physically verified during the year by the management at reasonable intervals.
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The Company has granted loans to body corporates covered in the register maintained under section 189 of the Companies Act, 2013 and
a) In our opinion ,the rate on interest and other terms and conditions on which loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie , prejudicial to the interest of the Company.
b) The loan so granted to the body corporate is repayable on demand.
c) The amount of outstanding loans as on 31st March, 2016 is Rs. 1,81,83,893/-. We are of the opinion that the company is regular in receipt of both principal and interest amount.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
5. The Company has not accepted deposits from the public covered within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to Section 76 or any other relevant provisions of the Act and rules framed there under are not applicable;
6. As per information & explanation given by the management, 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 facie 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.

BUDGE BUDGE COMPANY LIMITED

AUDITORS' REPORT (Contd.)

7. a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, and Cess to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us and on the basis of the documents and records the disputed statutory dues which have not been deposited with the appropriate authorities are in Annexure-1.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders during the year.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the said Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, 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 financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

For JAIN & CO.
Chartered Accountants
Registration No. 302023E
CA M. K. JAIN
Partner
Membership No. 055048

BUDGE BUDGE COMPANY LIMITED

AUDITORS' REPORT (Contd.)

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

REFEERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

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 31 March 2016 in conjunction with our audit of the standalone 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 Companies Act, 2013.

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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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 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.

BUDGE BUDGE COMPANY LIMITED

AUDITORS' REPORT (Contd.)

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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

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 31 March, 2016, 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.

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

For JAIN & CO.
Chartered Accountants
Registration No. 302023E
CA M. K. JAIN
Partner
Membership No. 055048

BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I

Disputed Statutory Dues as on 31-03-2016

Name of the Statute	Nature of Dues	Financial Year to which the amount relate	Forum where dispute is pending	Amount Rs.	Amount Rs.
B.F.(S.T.) Act '41	Assessment Dues	1994-95	W.B.C.T. A & R Board	586397	586397
C.S.T. Act '56	DO	1996-97, 2004-05, 2006-07	W.B.C.T. A & R Board	22484354	
		2002-03	Addl. Commissioner High Court, Kolkata	2191838	
		2003-04	West Bengal Taxation Tribunal	2754263	27430455
W.B.S.T. Act '94	DO	1996-97, 1998-99, 2004-05	W.B.C.T. A & R Board	10962056	
	DO	1999-00, 2002-03, 2003-04	West Bengal Taxation Tribunal	11445753	22407809
W.B. VAT 2003	DO	2005-06, 2007-08, 2008-09, 2010-11, 2011-12	W.B.C.T. A & R Board	29089699	
	DO	2012-13	Sr. Jt. Commissioner	2862182	
	DO	2006-07	Addl. Commissioner	929552	32881433
CST ACT 1956	DO	2012-13	Sr. Jt. Commissioner	2050726	
	DO	2007-08 to 2011-12	W.B.C.T. A & R Board	58469290	60520016
					143826110

BUDGE BUDGE COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	6,38,21,510	6,38,21,510
Reserves and Surplus	2	40,51,94,751	41,48,67,241
		46,90,16,261	47,86,88,751
Non-Current Liabilities			
Long-Term Borrowings	3	2,43,20,435	3,12,61,163
Deferred Tax Liabilities	4	1,79,50,049	1,59,87,354
		4,22,70,484	4,72,48,517
Current Liabilities			
Short-Term Borrowings	5	12,36,32,376	9,98,12,439
Trade Payables	6	—	—
Payable to Micro Enterprises & Small Enterprises		53,92,76,448	35,26,35,624
Other Payables	7	15,64,35,342	13,82,41,951
Other Current Liabilities	8	3,98,75,296	3,61,35,655
Short-Term Provisions		85,92,19,462	62,68,25,669
		1,37,05,06,207	1,15,27,62,937
ASSETS			
Non-Current Assets			
Fixed assets			
Property, Plant & Equipment	9	64,30,34,844	66,37,63,507
Intangible Assets	10	1,99,616	3,43,680
		64,32,34,460	66,41,07,187
Non-Current Investments	11	4,12,99,912	4,12,99,912
Long Term Loans and Advances	12	83,16,656	79,17,225
		69,28,51,028	71,33,24,324
Current Assets			
Inventories	13	30,09,05,121	16,46,67,596
Trade Receivables	14	15,24,27,249	6,94,59,256
Cash and Bank Balances	15	2,60,24,418	3,53,51,365
Short Term Loans & Advances	16	18,36,81,601	15,95,90,276
Other Current Assets	17	1,46,16,790	1,03,70,120
		67,76,55,179	43,94,38,613
		1,37,05,06,207	1,15,27,62,937

The accompanying Notes from No. 1 to 47 are an integral part of the financial statements.

As per our report attached

For JAIN & CO.

Chartered Accountants
Registration No. 302023E

M. K. JAIN

Partner

Membership No. 55048

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*

BUDGE BUDGE COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2016</u>	<u>(Amount in `) For the year ended 31st March, 2015</u>
REVENUE			
Revenue from Operations (Gross)	18	2,11,68,67,705	1,49,28,49,436
Less : Jute Manufacturing Cess		2,08,31,714	1,49,33,491
Revenue from Operations (Net)		2,09,60,35,991	1,47,79,15,945
Other Income	19	1,79,43,280	2,61,29,998
TOTAL REVENUE		2,11,39,79,271	1,50,40,45,943
EXPENSES			
Cost of Materials Consumed	20	1,43,40,91,459	82,29,20,513
Changes in Inventories of Finished Goods, Work in Progress and Stock in Shares	21	(5,11,77,319)	5,81,90,738
Employee Benefits Expenses	22	37,98,29,804	32,18,62,722
Finance Costs	23	2,57,46,249	3,07,33,543
Depreciation & Amortisation	24	1,56,86,852	1,44,47,124
Other Expenses	25	29,10,50,577	26,07,13,859
TOTAL EXPENSES		2,09,52,27,622	1,50,88,68,499
Profit / (Loss) Before Tax		1,87,51,649	(48,22,556)
Tax Expenses			
Current Tax		37,39,641	—
Less : MAT Credit Entitlement / (Set off)		37,39,641	—
		—	—
Wealth Tax		—	28,214
Deferred Tax		19,62,695	16,96,214
		19,62,695	17,24,428
Profit / (Loss) After Tax		1,67,88,954	(65,46,984)
Earnings Per Equity Share (Nominal Value of Rs. 10 each)	39		
Basic & Diluted		2.63	(1.03)

The accompanying Notes from No. 1 to 47 are an integral part of the financial statements.

As per our report attached

For JAIN & CO.

Chartered Accountants

Registration No. 302023E

M. K. JAIN

Partner

Membership No. 55048

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
1.	(A) SHARE CAPITAL		
	Details of Authorised, Issued, Subscribed and Fully Paid Up Shares		
	Authorised Share Capital :		
	10,000 (Previous Year 10,000) 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	10,00,000	10,00,000
	50,000 (Previous Year 50,000) 11% Redeemable Cumulative Preference Shares of Rs. 30/- each	15,00,000	15,00,000
	64,00,000 (Previous Year 64,00,000) Equity Shares of Rs. 10/- each	6,40,00,000	6,40,00,000
		6,65,00,000	6,65,00,000
	Issued, Subscribed & Paid-up Share Capital :		
	63,82,151 (Previous Year 63,82,151) Equity Shares of Rs. 10/- each	6,38,21,510	6,38,21,510
		6,38,21,510	6,38,21,510

Terms and rights attached to Equity Shares

The company has only one class of Equity Shares having par value of Rs. 10 per share. 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.

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

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
-------------	-------------	---------------------------	--

(B) Reconciliation of Paid-up Share Capital

Ordinary Equity Shares of Rs. 10 each

Number of shares outstanding as at the beginning of the year	63,82,151	63,82,151
Number of shares outstanding as at the end of the year	63,82,151	63,82,151

(C) Shares Held By Shareholders Holding more than 5% Shares of the Company

Equity Shares of Rs. 10 each

Sl. No.	Name of the shareholder	As At 31.03.2016		As At 31.03.2015	
		No. of Shares	%	No. of Shares	%
		Held		Held	
1	Shri. Manish Poddar	1004780	15.74	1004780	15.74
2	Smt. Madhushree Poddar	740600	11.60	740600	11.60
3	Smt. Divya Poddar	634100	9.94	634100	9.94
4	Ashok Kumar Poddar (HUF)	1436100	22.50	1436100	22.50
5	Miss Vasavi Poddar	400000	6.27	400000	6.27
6	M/s. A.M. Udyog Limited	376660	5.90	376660	5.90
7	M/s. Raghuvir Realtors Pvt. Ltd.	1146500	17.96	1146500	17.96

Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
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(D) Details of allotment of shares for consideration other than cash during the last five years

Allotment of shares as fully paid up pursuant to contracts without payment being received in cash

5483500 equity shares of Rs. 10/- each fully paid up allotted on 30.10.2010 pursuant to the Scheme of Amalgamation without payment being received in cash	5,48,35,000	5,48,35,000
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BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
2	RESERVE & SURPLUS		
	Capital Redemption Reserve		
	Opening Balance	15,91,890	15,91,890
		15,91,890	15,91,890
	General Reserve		
	Opening Balance	35,83,75,370	38,48,83,086
	Add : Transferred from Statement of Profit & Loss	2,50,00,000	—
		38,33,75,370	38,48,83,086
	Less : Adjustment in value of fixed assets on implementation of new depreciation method (Net of deferred tax assets of Rs. Nil (Previous Year Rs. 3,21,500/-) (Refer Note No. 40)	—	7,03,682
	Transferred to Statement of Profit and Loss on account of depreciation on revalued assets (Refer Note No. 24)	2,58,04,034	2,58,04,034
		2,58,04,034	2,65,07,716
		35,75,71,336	35,83,75,370
	Statement of Profit and Loss		
	Opening Balance	5,48,99,981	6,14,46,965
	Add : Profit / (Loss) for the year	1,67,88,954	(65,46,984)
		7,16,88,935	5,48,99,981
	Less : Transferred to General Reserve	2,50,00,000	—
	Income Tax For Earlier Years	6,57,410	—
		2,56,57,410	—
		4,60,31,525	5,48,99,981
		40,51,94,751	41,48,67,241

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
3	LONG-TERM BORROWINGS		
	TERM LOANS FROM BANK		
	Secured		
	From Allahabad Bank (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)	1,63,07,795	2,98,86,544
	From HDFC Bank (Secured by hypothecation of Motor Cars)	6,23,676	4,78,458
	From ICICI Bank (Secured by hypothecation of Motor Car)	34,86,306	—
		2,04,17,777	3,03,65,002

TERMS OF REPAYMENT

Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
From Allahabad Bank - Term Loan-1	02.12.14	37500000	16 Quarterly instalments of Rs. 2344000/- starting from September, 2013 and ending on March, 2018.
From Allahabad Bank - Term Loan-2	02.12.14	13000000	13 Quarterly instalments of Rs. 1000000/- starting from June, 2014 and ending on June, 2017.
From Allahabad Bank - Term Loan-3	02.12.14	15700000	12 Quarterly instalments of Rs. 1310000/- starting from June, 2016 and ending on March, 2019.
From HDFC Bank - Car Loan	25.02.15	430000	36 monthly instalments of Rs. 13925/- starting from April, 2015 and ending on March, 2018
From HDFC Bank - Car Loan	28.04.14	435500	36 monthly instalments of Rs. 14500/- starting from May, 2014 and ending on April, 2017

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
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Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
From HDFC Bank - Car Loan	29.12.15	700000	36 monthly instalments of Rs. 22425/- starting from February, 2016 and ending on January, 2019
From ICICI Bank - Car Loan	19.11.15	4500000	60 monthly instalments of Rs. 94180/- starting from December, 2015 and ending on November, 2020

TERM LOANS FROM OTHERS

Secured

From BMW India Financial Services P. Ltd.	4,51,755	8,96,161
From Daimler Financial Services India P. Ltd.	34,50,903	—
(Secured by hypothecation of Motor Cars)		
	39,02,658	8,96,161

TERMS OF REPAYMENT

Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
BMW India Financial Serv. P. Ltd. - Car Loan	31.01.13	2000000	60 monthly instalments of Rs. 43325/- starting from March, 2013 and ending on February, 2018
Daimler Financial Services India P. Ltd. - Car Loan	26.06.15	4186954	47 monthly instalments of Rs. 71290/- starting from July, 2015 and ending on May, 2019 and 48th instalment of Rs. 2335880/- payable in June, 2019

2,43,20,435	3,12,61,163
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4 DEFERRED TAX LIABILITIES

Deferred Tax Liabilities Being The Tax Impact On

Difference of WDV of Fixed Assets as Per Income Tax Law and Books	1,79,50,049	1,59,87,354
(Deferred Tax Liabilities have been calculated in accordance with AS-22 as notified by the Companies (Accounts) Rules, 2014)		
	1,79,50,049	1,59,87,354

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
5	SHORT-TERM BORROWINGS		
	Secured		
	From Banks		
	Cash Credit from Allahabad Bank	9,88,37,956	7,66,74,248
	(Secured by hypothecation of entire stocks book debts and other current assets of the company, both present and future, 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.)		
	Term Loan from Allahabad Bank	1,85,76,000	1,85,76,000
	(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.)		
	From HDFC Bank	5,20,889	7,47,204
	(Secured by hypothecation of Motor Cars)		
	From ICICI Bank	7,64,882	—
	(Secured by hypothecation of Motor Cars)		
		<u>11,86,99,727</u>	<u>9,59,97,452</u>
	TERMS OF REPAYMENT		
	(Refer Note No. 3)		
	From Others		
	Secured		
	From BMW India Financial Services P. Ltd.	4,44,406	3,98,945
	From Kotak Mahindra Prime Ltd.	—	3,66,042
	From Daimler Financial Services India P. Ltd.	4,38,243	—
	(Secured by hypothecation of Motor Cars)		
		<u>8,82,649</u>	<u>7,64,987</u>
	TERMS OF REPAYMENT		
	Particulars	Date of Sanction	Original Loan Rs.
	BMW India Financial Serv. P. Ltd. - Car Loan		Refer Note No. 3
	Kotak Mahindra Prime Ltd - Car Loan		Refer Note No. 3
	Daimler Financial Services India P. Ltd. - Car Loan		Refer Note No. 3
	Unsecured		
	From Others	40,50,000	30,50,000
		<u>12,36,32,376</u>	<u>9,98,12,439</u>

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
6	TRADE PAYABLES		
	Payable to Micro Enterprises and Small Enterprises	—	—
	Other Payables	53,92,76,448	35,26,35,624
	(Refer Note No. 35)		
		53,92,76,448	35,26,35,624
7	OTHER CURRENT LIABILITIES		
	Loans from Government of West Bengal		
	Sales Tax Loan from Government of West Bengal	54,43,149	54,43,149
	Sales Tax Loan from WBIDC	2,47,63,975	2,47,63,975
	Sales Tax Incentive Loan from WBIDC	17,50,000	17,50,000
	Special Capital Incentive Loan from WBIDC	7,50,000	7,50,000
	Interest Accrued & Due on Unsecured Loans	4,45,22,710	4,19,97,794
		7,72,29,834	7,47,04,918
	Other Payables		
	TDS Payable	7,17,938	5,00,839
	Brokerage & Commission Payable	63,07,175	78,04,893
	Electricity Charges Payable	—	26,88,831
	Salary & Wages Payable	3,47,66,322	2,17,93,914
	Other Payables	2,71,56,050	2,49,78,772
		6,89,47,485	5,77,67,249
	Bank Overdraft (Due to Reconciliation)	3,26,731	7,05,298
	Advances from Customers	74,75,223	24,48,817
	Other Advances Received	20,48,398	22,07,998
	Interest Accrued But Not Due on Unsecured Loans	76,133	76,133
	Liability for Preference Share Redemption	3,31,538	3,31,538
		1,02,58,023	57,69,784
		15,64,35,342	13,82,41,951
8	SHORT-TERM PROVISIONS		
	Provision for Income Tax	3,98,01,545	3,60,61,904
	Provision for Wealth Tax	73,751	73,751
		3,98,75,296	3,61,35,655

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

NOTE NO. 9

PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs.)

GROSS BLOCK				DEPRECIATION			NET BLOCK				
	As At 31-03-15	Additions	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15	Adjusted with General Reserve (Refer Note 40)	Provided for the year	Deductions/ Adjustments	As At 31-03-16	As At 31-03-16	As At 31-03-15
Land	155787500	—	—	155787500	—	—	—	—	—	155787500	155787500
Buildings	280231787	11392695	—	291624482	120973450	—	9280218	—	130253668	161370814	159258337
Plant & Machinery	704822947	1778318	1492181	705109084	375606320	—	28924796	108436	404422680	300686404	329216627
Furniture & Fixtures	14325928	78292	—	14404220	4091132	—	1126898	—	5218030	9186190	10234796
Office Equipments	1126321	55619	—	1181940	888871	—	68942	—	957813	224127	237450
Motor Car	13242846	11228957	5315236	19156567	4534674	—	1822886	2574125	3783435	15373132	8708172
Data Processing Machines	3423878	176899	—	3600777	3103253	—	90847	—	3194100	406677	320625
Total	1172961207	24710780	6807417	1190864570	509197700	—	41314587	2682561	547829726	643034844	663763507
Previous Year	1118463160	61590280	7092233	1172961207	468980150	(1025182)	40079318	886950	509197700	663763507	—

NOTE NO. 10

INTANGIBLE ASSETS

(Amount in Rs.)

GROSS BLOCK				DEPRECIATION				NET BLOCK			
As At 31-03-15		Additions	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15 (Refer Note 40)	Adjusted with General Reserve for the year	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15		
Computer Software		1288800	32235	—	1321035	945120	—	176299	1121419	199616	343680
Total		1288800	32235	—	1321035	945120	—	176299	1121419	199616	343680
Previous Year		1288800	—	—	1288800	773280	—	171840	945120	343680	—

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BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

11 NON CURRENT INVESTMENTS

(Amount in `)

Particulars	Face Value	Numbers		Amount	
		As at 31.3.2016	As at 31.3.2015	As at 31.3.2016	As at 31.3.2015
Non - Trade Investment					
Investment in Equity Instruments (At Cost)					
Long term					
In Fully paid up Shares of Joint Stock Companies					
(Long Term Unless Otherwise Stated)					
Other than Trade					
A. QUOTED					
Whirlpool of India Ltd.	10	300	300	7050	7050
B. UNQUOTED					
A. M. Industries Ltd.	100	400	400	40000	40000
A. M. Udyog Ltd. (11% Redeemable Cumulative Preference Shares)	100	7	7	700	700
A. M. Udyog Ltd.	10	678405	678405	6558225	6558225
Ess Emm Enclaves (P) Ltd.	10	37500	37500	375000	375000
Rash Behari construction (P) Ltd	10	7500	7500	75000	75000
Southwest Construction (P) Ltd	10	300	300	3000	3000
Suncity Properties (P) LTD.	10	5000	5000	158000	158000
Tivolipark Apartments (P) Ltd.	100	6500	6500	650000	650000
Tyron Agency (P) Ltd	10	200	200	2000	2000
C. Investment in Subsidiary Company					
Vasavi Infrastructure Projects Limited	10	2372300	2372300	33423000	33423000
D. In Government Securities					
7 years National Saving Certificate lodged as Security with Central Excise Authority				7937	7937
Aggregate Value of Unquoted Investments.				41292862	41292862
Aggregate Value of Investments				41299912	41299912
Notes :					
(1) Quoted Investments					
Aggregate amount				7050	7050
Market value				210660	220605
(2) Unquoted Investments					
Aggregate amount				41292862	41292862

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Contd.)*

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
12	LONG-TERM LOANS AND ADVANCES		
	Unsecured, Considered Good unless otherwise stated		
	Security Deposits	83,16,656	79,17,225
		83,16,656	79,17,225
13	INVENTORIES		
	(As per Inventories Taken, Valued and Certified by the management)		
	Raw Materials	12,60,38,152	4,18,60,935
	Work in Progress	5,94,12,560	2,65,25,073
	Finished Goods	8,56,06,428	6,73,16,596
	Stores and Spare Parts	2,28,02,930	2,19,19,941
	Stock in Trade		
	Stock of Shares (Refer Note No. 31)	70,45,051	70,45,051
		30,09,05,121	16,46,67,596
14	TRADE RECEIVABLES		
	Unsecured, Considered Good unless otherwise stated		
	Outstanding For More Than Six Months	40,51,495	85,41,251
	Others	14,83,75,754	6,09,18,005
		15,24,27,249	6,94,59,256
15	CASH AND BANK BALANCES		
	Cash & Cash Equivalents		
	Cash in hand	18,43,651	32,27,022
	Balance with Banks		
	In Current Accounts	2,41,80,767	3,21,24,343
		2,60,24,418	3,53,51,365

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
16	SHORT TERM LOANS & ADVANCES		
	(Unsecured, Considered Good unless otherwise stated)		
	Loans to Body Corporates - Others	3,95,17,744	4,13,02,971
	Loans to Body Corporates - Related Party	1,81,83,893	1,60,49,278
	Advances to a Subsidiary	3,50,05,455	2,71,15,455
	Advances Recoverable in Cash or in kind for value to be received	3,83,39,778	3,12,92,187
	Advance Payment of Income Tax	3,55,30,140	3,20,30,140
	Income Tax Deducted at Source	88,88,966	73,24,261
	MAT Credit Entitlement	81,01,365	43,61,724
	Advance Fringe Benefit Tax	1,14,260	1,14,260
		18,36,81,601	15,95,90,276
17	OTHER CURRENT ASSETS		
	Prepaid Expenses	22,37,114	20,62,525
	Balances with Customs & Port Trust Authorities	46,184	46,184
	Balances with Excise Department	2,01,939	2,53,535
	Deposit with Govt. Department & Others	1,21,31,553	80,07,876
		1,46,16,790	1,03,70,120
Note No.	Particulars	(Amount in `)	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
18	REVENUE FROM OPERATIONS		
	Sale of Products (Jute Goods)	2,10,66,35,729	1,47,78,62,341
	Other Operating Revenue		
	Branding Charges (Net)	1,02,31,976	78,51,977
	Revenue from Operations (Gross)	2,11,68,67,705	1,48,57,14,318
	Less : Jute Marketing Cess	2,08,31,714	1,49,33,491
	Revenue from Operations (Net)	2,09,60,35,991	1,47,07,80,827
	Sale of Traded Goods	—	71,35,118
		2,09,60,35,991	1,47,79,15,945

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
19	OTHER INCOME		
	Dividend Received		
	- From Other Non Current investments	60,687	95,387
	Interest Received		
	- On Loans & Others	51,61,710	39,49,610
	Profit on Sale of Fixed Assets	—	16,52,375
	Rent Received	1,12,96,763	1,58,11,326
	Sale of Scrap	14,24,120	26,73,530
	Liability No Longer Required Written Back	—	19,47,770
		1,79,43,280	2,61,29,998
20	COST OF MATERIALS CONSUMED		
	Raw Materials Consumed		
	Opening Stock	4,18,60,935	9,85,98,000
	Add : Purchases	1,47,91,99,935	73,45,06,522
	Add : Jute Expenses	3,90,68,741	3,16,76,926
		1,56,01,29,611	86,47,81,448
	Less: Closing Stock	12,60,38,152	4,18,60,935
		1,43,40,91,459	82,29,20,513
21	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SHARES IN TRADE		
	Closing Stock		
	Finished Goods	8,56,06,428	6,73,16,596
	Work in Process	5,94,12,560	2,65,25,073
	Shares	70,45,051	70,45,051
		15,20,64,039	10,08,86,720
	Opening Stock		
	Finished Goods	6,73,16,596	12,14,17,739
	Work in Process	2,65,25,073	2,60,36,645
	Shares	70,45,051	1,16,23,074
		10,08,86,720	15,90,77,458
	(Increase) / Decrease in Inventories	(5,11,77,319)	5,81,90,738

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries and Wages	33,69,85,922	28,38,22,020
	Contribution to Provident Fund & Other Funds	3,95,57,710	3,49,27,661
	Staff Welfare Expenses	32,86,172	31,13,041
		37,98,29,804	32,18,62,722
23	FINANCE COSTS		
	Interest Expenses	2,51,75,049	2,99,65,143
	Other Borrowing Costs	5,71,200	7,68,400
		2,57,46,249	3,07,33,543
24	DEPRECIATION & AMORTISATION EXPENSES		
	Depreciation on Tangible Assets	4,13,14,587	4,00,79,318
	Less : Transferred from General Reserve	2,58,04,034	2,58,04,034
		1,55,10,553	1,42,75,284
	Amortisation on Intangible Assets	1,76,299	1,71,840
		1,56,86,852	1,44,47,124
25	OTHER EXPENSES		
	Consumption of Stores & Spare Parts	9,09,35,837	7,75,01,584
	Carriage Inward	52,670	5,33,004
	Power and Fuel	9,68,98,696	8,99,21,459
	Rent	4,20,000	4,20,000
	Repairs to Building	44,91,950	30,42,269
	Repairs to Machinery	48,20,148	31,18,644
	Insurance Charges	20,49,972	35,45,531
	Rates and Taxes	18,54,212	15,98,881
	Loss on Sale of Fixed Assets	10,53,025	—
	Other Manufacturing Expenses	4,41,01,394	3,16,80,306
	Duty, Cess, Entry Tax, Freight and Other Sales Expenses	1,88,27,113	1,57,96,048
	Directors Remuneration	45,00,000	45,00,000
	Auditors		
	Statutory Audit Fees	60,000	50,562
	Other Matters	13,116	55,764
	Miscellaneous expenses (Refer Note No. 28 and 40)	2,09,72,444	2,89,49,807
		29,10,50,577	26,07,13,859

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

26 SIGNIFICANT ACCOUNTING POLICIES

i) System of Accounting

- a) The Company generally follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- b) The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 as amended and relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis, other than certain fixed assets which are stated at revalued amount except otherwise mentioned, the accounting policies applied by the Company are consistent with those used in the previous year.

ii) Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialised.

iii) Property, Plant and Equipment

- a) Property, Plant and Equipment other than revalued are stated at cost of acquisition or construction and net of subsidy / cenvat less accumulated depreciation / amortisation / impairment, if any.
- b) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
- c) Gains / Losses arising from sale / discard of Property, Plant and Equipment 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 sold / discarded.

iv) Depreciation on Property, Plant and Equipment

- a) Depreciation on additions / deletions for Property, Plant and Equipment are charged under Straight Line Method (SLM) according to the useful life specified in Schedule II of the Companies Act, 2013 in terms of Section 123 of the Act, on prorata basis. Depreciation on significant components of Property, Plant and Equipment having different useful lives are depreciated considering its useful life.
- b) Depreciation Property, Plant and Equipment is being provided on Straight Line Method basis as per useful lives specified in Schedule II of the Companies Act, 2013.
- c) In respect of revalued assets, the difference of depreciation, between Net Asset Value and revalued amount, has been charged to General Reserve.

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

v) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

vi) Intangible Assets

- a) Cost of Software is capitalised and where it is expected to provide future enduring economic benefits. Capitalisation includes license fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. Expenses incurred on upgradation / enhancement is charged off as revenue expenditure unless they bring similar significant additional benefits.
- b) Capitalised software is amortised on straight line method over a period of five years as per Accounting Standard-26 as notified by Companies (Accounts) Rules, 2014 (as amended).

vii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and direct attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

viii) Exchange Fluctuations

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c) Exchange Differences

Exchange differences arising on the settlement of monetary items are recognised as income or as expense in the year in which they arise.

ix) Inventories

- a) Inventories are valued at lower of the cost and net realisable value. Costs in respect of these

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

inventories is determined on monthly/annual weighted average method. Cost in respect of finished stock and process stock is estimated considering direct material, production overhead and appropriate portion of administrative overheads.

- b) Cess duty payable on finished goods lying at factory at the year end is included in the valuation of finished goods.
- c) Stock of shares and debentures has been valued at cost or market value whichever is lower.

x) Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

xi) Borrowing cost

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other Borrowing costs are recognised as expense in the period in which they are incurred.

xii) Employees Benefits

a) Defined Contribution Plans

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 Profit & Loss Account 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.

b) Other Retiral Benefits

The liability for gratuity at the end of the year payable to employees is determined on the basis of actuarial valuation under Revised AS-15 norms but the same has not been provided and is reflected by way of a note to the accounts. 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.

xiii) Sales

- a) Sales other than through consignees are accounted for on passing of property as per terms of sales and as per prevailing business practice in this regard.
- b) Goods sent on consignment are accounted for as sale on the basis of receipt of Account Sale from respective consignees and in cases where account sales have not been received till the year end, sales are accounted for on the basis of proforma invoices raised.
- c) Sales is exclusive of cess duty and sales tax/Value Added Tax (VAT), rebate, discounts etc. are excluded therefrom.

xiv) Revenue Recognition

- a) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Delayed payment charges to Raw Jute Suppliers are recognized as and when settled/paid.

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

xv) Government Grants

Revenue grants including subsidy / rebates are credited to Profit and Loss Account under "Other Income" or deducted from the related expenses. Grants relating to fixed assets are credited to Capital Reserves Account or adjusted in the cost of such assets as the case may be. These are accounted for as and when the ultimate realisability is established.

xvi) Claims

Insurance and other claims receivable are accounted for as and when ascertained/realised.

xvii) Expenses

Expenses under primary heads such as salary, wages, consumption of stores & raw materials etc. are being shown as usual in their respective heads of accounts instead of functional re-classification.

xviii) Taxation

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of MAT under section 115JB of the Income Tax Act, 1961, MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognised, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognised only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit and Loss as current tax. The company recognises 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 recognises 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.

xix) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision 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.

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

xx) Contingent liabilities

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.

xxi) Prior Period Items

Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

xxii) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

27. Corporate Information

Budge Budge Company Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of 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.

28. Contingent Liabilities not provided for in respect of following :

	Current Year Rs.	Previous Year Rs.
a) Sales Tax demands pending with appellate authorities	14,38,26,110	17,78,36,929
b) Bonus Payable as per amendment in the Act	42,29,513	Nil
c) 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	11,45,951	11,45,951

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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 the management.

- 29 Miscellaneous Expenses includes Rs. Nil (Previous Year Rs. 22,49,127/-) on account of short realisation on settlement of insurance claim against fire occurred at mills the financial year 2013-14.
- 30 The future liability of Rs. 17,02,01,504/- (Previous Year Rs. 15,75,72,355/-) being gratuity payable to employees determined as per actuarial valuation as at 31st March, 2016 under Revised AS-15 norms has not been provided for in the accounts due to non-availability of adequate surplus.
- 31 . i) Investments are of long term in nature and as such no provision for diminution in the break up value of unquoted shares has been considered necessary.
- ii) Certain shares/debentures held as investments/stock valued at Rs. 18,238/- had been lost in transit and hence could not be produced to the auditors for verification. Necessary legal steps have been initiated against the same.
- 32 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, 2016.
- 33 The arrear cumulative dividend on 6000 Nos of 11% Redeemable Cumulative Preference Shares of Rs. 100/- each till 31.03.2013 amounted to Rs. 25,63,529/-.
- 34 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. 1,37,71,765/- paid by it 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. 1,37,71,765/- along with interest of Rs. 78,60,754/- accrued there upon upto 31.03.2004 on having been considered good for recovery is accounted for under the head "Advances Recoverable in Cash or in Kind". Further Sales Tax Dues amounting to Rs. 63,73,618/- have been netted out of the above amount.
- b) The company has withheld the repayment of principal and interest accrued on sales tax Loan.
- 35 Disclosure of Sundry Creditors and Current Liabilities is based on the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.Amount payable includes as on 31st March, 2016 to Micro, Small and Medium Enterprises an amount of principal together with interest aggregate to Rs. NIL (Previous Year Rs. NIL).
- 36 The Company has only one segment i.e. manufacturing of Jute Goods and as a result the reporting required of AS-17 "Segment Reporting" as issued by ICAI are not attracted.

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

37. Related party disclosures as identified by the management in accordance with the Accounting Standard - 18 issued by The Institute of Chartered Accountant of India are as follows :-

A) Relationship

- i) Parties where common Control exists : None
- ii) Other Related parties with whom the Company has entered into transactions during the year.

a) Associates

- i) A.M. Udyog Limited
- ii) A.M. Business & Finance Limited
- iii) Bengal Investments Limited
- iv) Jackson Mercantiles LLP
- v) P & A Bottlers P. Ltd.
- vi) Ripon Estates Ltd.
- vii) Suncity Properties P. Ltd.
- viii) Tivolipark Apartments (P) Ltd.

b) Key Management Personnel & Relatives

Shri Ashok Kumar Poddar (Executive Chairman))
 Shri Manish Poddar (Managing Director)
 Smt. Madhushree Poddar (Director)
 Smt. Divya Poddar
 Miss Vasavi Poddar
 Shri Danveer Singhi (Company Secretary)
 Shri Praveen Kumar Ghorawat (Chief Financial Officer)

c) Enterprises over which key management personnel and / or their relatives have significant influence :

None

d) Subsidiary Company

Vasavi Infrastructure Projects Limited

B) Transactions during the year with related parties in normal course of business & balances at the end of the financial year :

	In relation to item no.			
	A(i) above		A(ii) above	
	<u>2015-16</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2014-15</u>
i) Managerial Remuneration	6460609	6149013	—	—
ii) Payment to Raw Jute Creditors	—	—	472536699	42216647
iii) Purchase of Raw Materials	—	—	470452187	412934607
iv) Loans Given	—	—	240000	2280529
v) Advances Given	—	—	18086696	29371205
vi) Interest Received	—	—	2105128	1721183
vii) Advances Received	—	—	10196696	54650000
viii) Reimbursement of Expenses Received	—	—	31100	—
ix) Outstanding Payable As On 31.03.2016	—	—	175573247	177657759
x) Outstanding Receivable As On 31.03.2016	—	—	53582809	44564251

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

38. The Company is mainly engaged in the business of manufacturing of Jute goods. During the year, risks and returns of the enterprise will therefore continue to be associated with business of manufacturing of Jute goods. Necessary segment information with respect to business of Jute goods are as follows :

The business segment has been considered as primary segment for reporting segment information.

Information about Geographical segments :

(Amount in Rs.)

	Domestic		Exports		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue						
From External Customers	Nil	Nil	Nil	Nil	Nil	Nil
Segment Assets	1370506207	1152762937	Nil	Nil	1370506207	1152762937

39. Statement showing calculation of Earning Per Share as per AS 20 of ICAI

	<u>2015-16</u>	<u>2014-15</u>
Profit/(Loss) After Tax	16788954	(6546984)
Weighted average number of Equity Shares of Rs. 10 Each fully paid up	6382151	6382151
Earning Per Share(in Rs.) (Basic & Diluted)	<u>2.63</u>	<u>(1.03)</u>

40. Effective from 1st April, 2014, the Company has changed Depreciation rates on various fixed assets as per the remaining useful lives specified in Part C of Schedule II to the Companies Act, 2013. Based on the current estimate, the carrying value, net of residual value as at 1st April, 2014 of Rs. 10,25,182/- on account of the fixed assets whose useful life is already exhausted as on 1st April, 2014 has been adjusted to Retained Earnings. Had there not been any change in useful lives of the assets, depreciation for the year ended 31st March, 2015 would have been higher by Rs. 53,85,324/-.
41. The Company has made a provision of Rs. 6,22,618/- (Previous Year Rs. 9,46,450/-) in its books of accounts towards contributions for Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. Out of Rs. 15,69,068/- earmarked for CSR activities in the financial years 2014-15 and 2015-16, Rs. Nil has been incurred for activities specified in Schedule VII of the Companies Act, 2013.

BUDGE BUDGE COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

42. Raw Material Consumed :

	Unit	Quantity		Value (Rs.)	
		For the year ended	For the year ended	For the year ended	For the year ended
		31.03.16	31.03.15	31.03.16	31.03.15
Raw Jute	M.T.	26591	23263	1434091459	822920513

43. Value of Imported and Indigenous Raw Materials consumed during the year :

	For the year ended 31.03.16	%	For the year ended 31.03.15	%
Indigenous	1386072338	96.65	819792720	99.62
Imported	48019121	3.35	3127793	0.38
	1434091459	100.00	822920513	100.00

44. Value of Imported and Indigenous Stores, Spares consumed during the year :

	For the year ended 31.03.16		For the year ended 31.03.15	
	Value (Rs.)	%	Value (Rs.)	%
Indigenous	90935837	100.00	77501584	100.00
Imported	—	—	—	—
	90935837	100.00	77501584	100.00

45. Value of Imports on C.I.F. Basis :

	For the year ended 31.03.16		For the year ended 31.03.15	
	Value (Rs.)	%	Value (Rs.)	%
Raw Materials	48019121	100.00	3127793	100.00
Components & Spare Parts	—	—	—	—
Capital Goods	—	—	—	—
	48019121	100.00	3127793	100.00

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Contd.)*

46. Expenditure in Foreign Currency :

	For the year ended 31.03.16	For the year ended 31.03.15
	<u>Rs.</u>	<u>Rs.</u>
Travelling Expenses	2006863	2453052

- 47.** Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.

P-21/22, Radha Bazar Street Kolkata - 700 001 Dated the 23rd day of May, 2016	For JAIN & CO. <i>Chartered Accountants</i> <i>Registration No. 302023E</i> M. K. JAIN <i>Partner</i> <i>Membership No. 55048</i>	ASHOK KUMAR PODDAR, <i>Chairman</i> MANISH PODDAR, <i>Mg. Director</i> D. V. SINGHI, <i>Secretary</i> P. K. GHORAWAT, <i>Chief Financial Officer</i>
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BUDGE BUDGE COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	(Amount in `)	
	As at 31.03.2016	As at 31.03.2015
A) CASH FROM OPERATING ACTIVITIES		
Net profit/loss before tax & extra ordinary items	18751649	(4822556)
Adjustments for :		
Depreciation	15686852	14447124
Interest Paid	25175049	29965143
Rent Received	(11296763)	(15811326)
Dividend Income	(60687)	(95387)
Interest Received	(5161710)	(3949610)
Profit / (Loss) on Sale of Property, Plant & Machinery	1053025	(1652375)
	<u>25395766</u>	<u>22903569</u>
Net Profit/Loss before working capital changes	44147415	18081013
Adjustment for :		
Trade & Other Receivables	(82967991)	3959345
Inventories	(136237525)	117500847
Net Increase / Decrease in Other Loans & Advances	(19933080)	16612794
Net Increase / Decrease in Current / Non Current Liabilities	204834215	(16222876)
	<u>(34304381)</u>	<u>121850110</u>
Cash generated from operating activities	9843034	139931123
Direct Taxes Paid (Net of Refund)	(5722115)	(2741779)
Cash Flow before Extra Ordinary Items	4120919	137189344
Extra Ordinary Items	—	—
NET CASH FROM OPERATING ACTIVITIES	<u>4120919</u>	<u>137189344</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Machinery	(24743015)	(40807354)
Subsidy Received	—	5670658
Purchase of Investments	—	(30000000)
Sale of Property, Plant & Machinery	3071829	2187000
Dividend Income	60687	95387
Rent Received	11296763	15811326
Interest Received	5161710	3949610
NET CASH FROM INVESTING ACTIVITIES	<u>(5152026)</u>	<u>(43093373)</u>

BUDGE BUDGE COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	(Amount in `)	
	As at 31.03.2016	As at 31.03.2015
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(6940728)	(3575087)
Proceeds from Short Term Borrowings	23819937	(46695280)
Interest Paid	(25175049)	(29965143)
NET CASH FROM FINANCING ACTIVITIES	(8295840)	(80235510)
NET INCREASE IN CASH & CASH EQUIVALENTS	(9326947)	13860461
OPENING CASH & CASH EQUIVALENTS	35351365	21490904
CLOSING CASH & CASH EQUIVALENTS	26024418	35351365

The accompanying notes from 1 to 47 form an integral part of the financial statements.

P-21/22, Radha Bazar Street Kolkata - 700 001 Dated the 23rd day of May, 2016	Per Our Report attached of Even Date For JAIN & CO. <i>Chartered Accountants</i> <i>Registration No. 302023E</i> M. K. JAIN <i>Partner</i> <i>Membership No. 55048</i>	ASHOK KUMAR PODDAR, Chairman MANISH PODDAR, Mg. Director D. V. SINGHI, Secretary P. K. GHORAWAT, Chief Financial Officer
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BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED FINANCIAL STATEMENT OF BUDGE BUDGE COMPANY LIMITED AND ITS SUBSIDIARY

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BUDGE BUDGE COMPANY LIMITED REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **BUDGE BUDGE COMPANY LIMITED**, (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and of its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED AUDITORS' REPORT (Contd.)

whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for expressing an opinion on whether the Holding Company has an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

OTHER MATTERS

We did not audit the financial statements/financial information of 1 (One) subsidiary whose financial statements/financial information reflect total assets of Rs. 23,10,74,919/- as at 31st March, 2016, total revenues of Rs. 80,17,882/- and net cash outflows amounting to Rs. 6,72,928/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statement also include the Group's share of net loss of Rs. 17,445/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of its 2 (two) associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associates, and our report in terms of sub section(3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and associates is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements /financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) 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 of the aforesaid

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED AUDITORS' REPORT (Contd.)

consolidated financial statements;

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group under Note 28 of the consolidated financial statements.
 - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, wherever applicable, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

For JAIN & CO.
Chartered Accountants
Registration No. 302023E
M. K. JAIN
Partner
Membership No. 055048

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED AUDITORS' REPORT (Contd.)

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2(F) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE.

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 31 March, 2016 in conjunction with our audit of the standalone 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 Companies Act, 2013.

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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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 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.

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED AUDITORS' REPORT (Contd.)

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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

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 31 March 2016, 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.

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

For JAIN & CO.
Chartered Accountants
Registration No. 302023E
M. K. JAIN
Partner
Membership No. 055048

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	6,38,21,510	6,38,21,510
Reserves and Surplus	2	41,20,11,727	42,02,92,913
		47,58,33,237	48,41,14,423
Minority Interest		26,03,474	1,91,81,713
Non-Current Liabilities			
Long-Term Borrowings	3	3,95,39,880	3,12,61,163
Deferred Tax Liabilities	4	1,80,84,397	1,61,21,702
		5,76,24,277	4,73,82,865
Current Liabilities			
Short-Term Borrowings	5	23,30,69,292	15,18,30,025
Trade Payables			
Payable to Micro Enterprises and Small Enterprises	6	—	—
Other Payables	6	54,26,71,041	36,27,46,550
Other Current Liabilities	7	19,47,40,274	21,37,77,801
Short-Term Provisions	8	4,01,76,353	3,63,53,792
		1,01,06,56,960	76,47,08,168
		1,54,67,17,948	1,31,53,87,169
ASSETS			
Non-Current Assets			
Fixed assets			
Property, Plant and Equipment	9	64,31,57,011	66,39,57,002
Intangible Assets	10	1,12,05,307	2,70,44,688
		65,43,62,318	69,10,01,690
Non-Current Investments	11	3,88,29,005	3,10,89,782
Long Term Loans and Advances	12	93,84,241	89,71,110
		70,25,75,564	73,10,62,582
Current Assets			
Inventories	13	40,86,11,366	24,60,07,662
Trade Receivables	14	15,24,27,249	6,94,59,256
Cash and Bank Balances	15	2,63,52,576	3,62,26,769
Short Term Loans & Advances	16	23,97,11,152	22,00,30,655
Other Current Assets	17	1,70,40,041	1,26,00,245
		84,41,42,384	58,43,24,587
		1,54,67,17,948	1,31,53,87,169

The accompanying Notes from No. 1 to 44 are an integral part of the financial statements.

As per our report attached

For JAIN & CO.

Chartered Accountants
Registration No. 302023E

M. K. JAIN

Partner

Membership No. 55048

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2016</u>	<u>(Amount in `) For the year ended 31st March, 2015</u>
REVENUE			
Revenue from Operations (Gross)	18	2,11,68,67,705	1,49,28,49,436
Less : Jute Manufacturing Cess		2,08,31,714	1,49,33,491
Revenue from Operations (Net)		2,09,60,35,991	1,47,79,15,945
Other Income	19	2,59,61,182	2,97,16,614
TOTAL REVENUE		2,12,19,97,173	1,50,76,32,559
EXPENSES			
Cost of Materials Consumed	20	1,43,40,91,459	82,29,20,513
Purchase of Stock-in-Trade		—	—
Changes in Inventories of Finished Goods, Work in Progress and Stock in Shares	21	(5,12,05,179)	5,80,64,901
Employee Benefits Expenses	22	37,99,63,315	32,30,51,690
Finance Costs	23	3,24,24,097	3,07,33,794
Depreciation & Amortisation	24	1,58,23,873	1,46,46,672
Other Expenses	25	29,15,97,283	26,23,19,014
TOTAL EXPENSES		2,10,26,94,848	1,51,17,36,584
Profit / (Loss) Before Tax		1,93,02,325	(41,04,025)
Tax Expenses			
Current Tax		38,22,561	1,10,737
Less : MAT Credit Entitlement / (Set Off)		37,39,641	—
		82,920	1,10,737
Wealth Tax		—	28,214
Deferred Tax		19,62,695	16,96,214
		20,45,615	18,35,165
Profit / (Loss) After Tax		1,72,56,710	(59,39,190)
Earnings Per Equity Share			
(Nominal Value of Rs. 10 each)	40		
Basic & Diluted		2.70	(0.93)

The accompanying Notes from No. 1 to 44 are an integral part of the financial statements.

As per our report attached

For JAIN & CO.

Chartered Accountants

Registration No. 302023E

M. K. JAIN

Partner

Membership No. 55048

P-21/22, Radha Bazar Street

Kolkata - 700 001

Dated the 23rd day of May, 2016

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
1.	(A) SHARE CAPITAL		
	Details of Authorised, Issued, Subscribed and Fully Paid Up Shares		
	Authorised Share Capital :		
	10,000 (Previous Year 10,000) 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	10,00,000	10,00,000
	50,000 (Previous Year 50,000) 11% Redeemable Cumulative Preference Shares of Rs. 30/- each	15,00,000	15,00,000
	64,00,000 (Previous Year 64,00,000) Equity Shares of Rs. 10/- each)	6,40,00,000	6,40,00,000
		6,65,00,000	6,65,00,000
	Issued, Subscribed & Paid-up Share Capital :		
	63,82,151 (Previous Year 63,82,151) Equity Shares of Rs. 10/- each	6,38,21,510	6,38,21,510
		6,38,21,510	6,38,21,510

Terms and rights attached to Equity Shares

The company has only one class of Equity Shares having par value of Rs. 10 per share. 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.

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

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
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(B) Reconciliation of Paid-up Share Capital

Ordinary Equity Shares of Rs. 10 each

Number of shares outstanding as at the beginning of the year	63,82,151	63,82,151
Number of shares outstanding as at the end of the year	63,82,151	63,82,151

(C) Shares Held By Shareholders Holding more than 5% Shares of the Company

Equity Shares of Rs. 10 each

Sl. No.	Name of the shareholder	As At 31.03.2016		As At 31.03.2015	
		No. of Shares	%	No. of Shares	%
		Held		Held	
1	Shri. Manish Poddar	1004780	15.74	1004780	15.74
2	Smt. Madhushree Poddar	740600	11.60	740600	11.60
3	Smt. Divya Poddar	634100	9.94	634100	9.94
4	Ashok Kumar Poddar (HUF)	1436100	22.50	1436100	22.50
5	Miss Vasavi Poddar	400000	6.27	400000	6.27
6	M/s. A. M. Udyog Limited	376660	5.90	376660	5.90
7	M/s. Raghuvir Realtors Pvt. Ltd.	1146500	17.96	1146500	17.96

Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
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(D) Details of allotment of shares for consideration other than cash during the last five years

Allotment of shares as fully paid up pursuant to contracts without payment being received in cash

5483500 equity shares of Rs. 10/- each fully paid up allotted on 30.10.2010 pursuant to the Scheme of Amalgamation without payment being received in cash	5,48,35,000	5,48,35,000
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BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
2	RESERVE & SURPLUS		
	Capital Redemption Reserve		
	Opening Balance	15,91,890	15,91,890
		15,91,890	15,91,890
	Securities Premium Account		
	Opening Balance	1,00,00,000	—
	Add : Received during the year	—	1,00,00,000
		1,00,00,000	1,00,00,000
	General Reserve		
	Opening Balance	35,83,75,370	38,48,83,086
	Add : Transferred from Statement of Profit & Loss	2,50,00,000	—
		38,33,75,370	38,48,83,086
	Less : Adjustment in value of fixed assets on implementation of new depreciation method (Net of deferred tax assets of Rs. Nil Previous Year Rs. 3,21,500/-) (Refer Note No. 41)	—	7,03,682
	Transferred to Statement of Profit and Loss on account of depreciation on revalued assets (Refer Note No. 24)	2,58,04,034	2,58,04,034
		2,58,04,034	2,65,07,716
		35,75,71,336	35,83,75,370
	Statement of Profit and Loss		
	Opening Balance	4,60,47,067	5,19,86,256
	Add : Adjusted on Consolidation	52,02,134	42,78,587
	Add : Profit / (Loss) for the year	1,72,56,710	(59,39,190)
		6,85,05,911	5,03,25,653
	Less : Transferred to General Reserve	2,50,00,000	—
	Income Tax for Earlier Year	6,57,410	—
		2,56,57,410	—
		4,28,48,501	5,03,25,653
		41,20,11,727	42,02,92,913

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
3	LONG-TERM BORROWINGS		
	TERM LOANS FROM BANK		
	Secured		
	From Allahabad Bank (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)	1,63,07,795	2,98,86,544
	From HDFC Bank (Secured by hypothecation of Motor Cars)	6,23,676	4,78,458
	From ICICI Bank (Secured by hypothecation of Motor Car)	34,86,306	—
	From Bank of Baroda (Secured by hypothecation of Residential cum Commercial Building under construction)	1,52,19,445	—
		3,56,37,222	3,03,65,002

TERMS OF REPAYMENT

Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
From Allahabad Bank - Term Loan-1	02.12.14	37500000	16 Quarterly instalments of Rs. 2344000/- starting from September, 2013 and ending on March, 2018.
From Allahabad Bank - Term Loan-2	02.12.14	13000000	13 Quarterly instalments of Rs. 1000000/- starting from June, 2014 and ending on June, 2017.
From Allahabad Bank - Term Loan-3	02.12.14	15700000	12 Quarterly instalments of Rs. 1310000/- starting from June, 2016 and ending on March, 2019.
From HDFC Bank - Car Loan	25.02.15	430000	36 monthly instalments of Rs. 13925/- starting from April, 2015 and ending on March, 2018
From HDFC Bank - Car Loan	28.04.14	435500	36 monthly instalments of Rs. 14500/- starting from May, 2014 and ending on April, 2017

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
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Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
From HDFC Bank - Car Loan	29.12.15	700000	36 monthly instalments of Rs. 22425/- starting from February, 2016 and ending on January, 2019
From ICICI Bank - Car Loan	19.11.15	4500000	60 monthly instalments of Rs. 94180/- starting from December, 2015 and ending on November, 2020

TERM LOANS FROM OTHERS

Secured

From BMW India Financial Services P. Ltd.	4,51,755	8,96,161
From Daimler Financial Services India P. Ltd.	34,50,903	—
(Secured by hypothecation of Motor Cars)		
	39,02,658	8,96,161

TERMS OF REPAYMENT

Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
BMW India Financial Serv. P. Ltd. - Car Loan	31.01.13	2000000	60 monthly instalments of Rs. 43325/- starting from March, 2013 and ending on February, 2018
Daimler Financial Services India P. Ltd. - Car Loan	26.06.15	4186954	47 monthly instalments of Rs. 71290/- starting from July, 2015 and ending on May, 2019 and 48th instalment of Rs. 2335880/- payable in June, 2019

3,95,39,880	3,12,61,163
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4 DEFERRED TAX LIABILITIES

Deferred Tax Liabilities Being The Tax Impact On

Difference of WDV of Fixed Assets as Per Income Tax Law and Books	1,80,84,397	1,61,21,702
(Deferred Tax Liabilities have been calculated in accordance with AS-22 as notified by the Companies (Accounts) Rules, 2014)		
	1,80,84,397	1,61,21,702

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
6	TRADE PAYABLES		
	Payable to Micro Enterprises and Small Enterprises	—	—
	Other Payables (Refer Note No. 36)	54,26,71,041	36,27,46,550
		54,26,71,041	36,27,46,550
7	OTHER CURRENT LIABILITIES		
	Loans from Government of West Bengal		
	Sales Tax Loan from Government of West Bengal	54,43,149	54,43,149
	Sales Tax Loan from WBIDC	2,47,63,975	2,47,63,975
	Sales Tax Incentive Loan from WBIDC	17,50,000	17,50,000
	Special Capital Incentive Loan from WBIDC	7,50,000	7,50,000
	Interest Accrued & Due on Unsecured Loans	4,45,22,710	4,19,97,794
		7,72,29,834	7,47,04,918
	Other Payables		
	TDS Payable	12,36,962	8,09,812
	Service Tax Payable	—	1,33,069
	Works Contract Tax	53,886	53,886
	West Bengal Professional Tax Payable	1,180	1,160
	Brokerage & Commission Payable	63,07,175	78,04,893
	Electricity Charges Payable	—	26,88,831
	Salary & Wages Payable	3,47,66,322	2,17,93,914
	Other Payables	2,89,66,033	2,73,73,822
		7,13,31,558	6,06,59,387
	Bank Overdraft (Due to Reconciliation)	3,26,731	7,05,298
	Advances from Customers	74,75,223	24,48,817
	Other Advances Received	3,79,69,257	7,48,51,710
	Interest Accrued But Not Due on Unsecured Loans	76,133	76,133
	Liability for Preference Share Redemption	3,31,538	3,31,538
		4,61,78,882	7,84,13,496
		19,47,40,274	21,37,77,801
8	SHORT-TERM PROVISIONS		
	Provision for Income Tax	4,00,64,202	3,62,41,641
	Provision for Fringe Benefit Tax	38,400	38,400
	Provision for Wealth Tax	73,751	73,751
		4,01,76,353	3,63,53,792

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

NOTE NO. 9

PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As At 31-03-15	Additions	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15	Adjusted with General Reserve (Refer Note 41)	Provided for the year	Deductions/ Adjustments	As At 31-03-16	As At 31-03-16	As At 31-03-15	
Land	155787500	—	—	155787500	—	—	—	—	—	155787500	155787500	
Buildings	280231787	11392695	—	291624482	120973450	—	9280218	—	130253668	161370814	159258337	
Plant & Machinery	704843347	1778318	1492181	705129484	375625700	—	28924796	108436	404442060	300687424	329217647	
Furniture & Fixtures	14449981	371201	—	14821182	4121822	—	1154319	(280405)	5556546	9264636	10328159	
Office Equipments	1237670	186248	—	1423918	972326	—	82870	(124324)	1179520	244398	265344	
Motor Car	13242846	11228957	5315236	19156567	4534674	—	1822886	2574125	3783435	15373132	8708172	
Data Processing Machines	3665841	316872	—	3982713	3292808	—	132244	(128,554)	3553606	429107	373033	
Total	1173458972	25274291	6807417	1191925846	509520780	—	41397333	2149278	548768835	643157011	663938192	
Previous Year	1118798819	62304478	7092233	1174011064	469116962	(1025182)	40272189	360271	510054062	663957002	—	

NOTE NO. 10

INTANGIBLE ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As At 31-03-15	Additions	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15	Adjusted with General Reserve (Refer Note 41)	Provided for the year	Deductions/ Adjustments	As At 31-03-16	As At 31-03-15	
Computer Software	1367550	45885	—	1413435	951797	—	230574	—	1182371	231064	415753
Goodwill (Arising on Consolidation)	21825679	—	10851436	10974243	—	—	—	—	—	10974243	21825679
Total	23193229	45885	10851436	12387678	951797	—	230574	—	1182371	11205307	22241432
Previous Year	1288800	21904429	(4803256)	27996485	773280	—	178517	—	951797	27044688	—

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

11 NON CURRENT INVESTMENTS

(Amount in `)

Particulars	Face Value	Numbers		Amount	
		As at 31.3.2016	As at 31.3.2015	As at 31.3.2016	As at 31.3.2015
Non - Trade Investment					
Investment in Equity Instruments (At Cost)					
Long term					
In Fully paid up Shares of Joint Stock Companies					
(Long Term Unless Otherwise Stated)					
Other than Trade					
A. QUOTED					
Asian Paints Ltd.	1	-	547	-	271198
Bharat Forge Ltd	2	-	395	-	505539
Bharat Petroleum	10	-	1,071	-	664368
Bosch Ltd	10	-	33	-	208715
Eicher Motors Ltd	10	-	270	-	573109
HDFC Bank	2	-	725	-	317404
Hero Motocorp	2	-	137	-	271596
Housing Development Finance Corpn Ltd	2	-	533	-	342502
ING Vysya Bank	10	-	1100	-	408289
Jammu & Kashmir Bank	1	-	6340	-	495742
Larsen & Toubro Ltd	2	-	252	-	289247
Max India Ltd	2	-	457	-	143424
Petronet LNG Ltd	10	-	3540	-	586499
Reliance Industries Ltd	10	-	373	-	395605
Rural Electrification Corporation Ltd	10	-	781	-	281406
Speciality Resturants Ltd	10	-	1352	-	232730
State Bank of India	1	-	2040	-	505498
Sun Pharmaceutical Industries Ltd	1	-	903	-	661140
Tata Consultancy Services	1	-	206	-	434959
Tech Mahindra Ltd	5	-	1052	-	415872
Triveni Turbine Ltd	1	-	5804	-	61798
United Spirits Ltd	10	-	123	-	302918
Whirlpool of India Ltd.	10	300	300	7050	7050
				7050	8376608

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(Amount in `)					
Particulars	Face Value	Numbers		Amount	
		As at 31.3.2016	As at 31.3.2015	As at 31.3.2016	As at 31.3.2015
Unquoted					
A.M.Industries Ltd.	100	400	400	40000	40000
Ess Emm Enclaves (P) Ltd.	10	37500	37500	375000	375000
Infosys Agency Pvt Ltd	10	-	290	-	456197
P&A Bottlers P. Ltd	10	1125000	1125000	11250000	11250000
Southwest Construction (P) Ltd	10	400	400	4000	4000
Suncity Properties (P) Ltd	10	186700	186700	1975000	1975000
Tivolipark Apartments (P) Ltd.	100	58104	58104	8103018	8103040
Tyron Agency (P) Ltd	10	200	200	2000	2000
Zenom Vinimay P. Ltd	10	10000	10000	500000	500000
				22249018	22705237
C. Investment in Mutual Funds (At Cost)					
		Units	Units		
Motilal Oswal Focused Fund 25	504021.016	-	-	8135000	-
Motilal Oswal Most Focused	522298.036	-	-	8430000	-
				16565000	-
D. In Government Securities					
7 years National Saving Certificate lodged as Security with Central Excise Authority				7937	7937
				7937	7937
Aggregate Value of Unquoted Investments.				38821955	22713174
Aggregate Value of Investments.				38829005	31089782
Notes :					
(1) Quoted Investments					
Aggregate amount				7050	8376608
Market value				210660	220605
(2) Unquoted Investments					
Aggregate amount				38821955	22713174

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	As at 31st March, 2016	(Amount in `) As at 31st March, 2015
12	LONG-TERM LOANS AND ADVANCES		
	Unsecured, Considered Good unless otherwise stated		
	Security Deposits	93,84,241	89,71,110
		93,84,241	89,71,110
13	INVENTORIES		
	(As per Inventories Taken, Valued and Certified by the management)		
	Raw Materials	12,60,38,152	4,18,60,935
	Work in Progress	16,70,07,772	10,77,81,966
	Finished Goods	8,56,06,428	6,73,16,596
	Stores and Spare Parts	2,28,02,930	2,19,19,941
	Stock in Trade		
	Stock of Shares (Refer Note No. 32)	71,56,084	71,28,224
		40,86,11,366	24,60,07,662
14	TRADE RECEIVABLES		
	Unsecured, Considered Good unless otherwise stated		
	Outstanding For More Than Six Months	40,51,495	85,41,251
	Others	14,83,75,754	6,09,18,005
		15,24,27,249	6,94,59,256
15	CASH AND BANK BALANCES		
	Cash & Cash Equivalents		
	Cash in hand	19,07,915	40,13,454
	Balance with Banks		
	In Current Accounts	2,44,44,661	3,22,13,315
		2,63,52,576	3,62,26,769

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		As at 31st March, 2016	As at 31st March, 2015
16	SHORT TERM LOANS & ADVANCES		
	(Unsecured, Considered Good unless otherwise stated)		
	Loans to Body Corporates-Others	3,05,49,916	3,09,23,467
	Loan to Body Corporates-Related Party	3,52,52,660	3,36,62,710
	Advances Recoverable in Cash or in kind for value to be received	12,01,66,199	11,07,41,618
	Advance Payment of Income Tax	3,55,34,296	3,20,34,296
	Income Tax Deducted at Source	99,56,075	81,56,199
	MAT Credit Entitlement	81,01,365	43,61,724
	Advance Fringe Benefit Tax	1,50,641	1,50,641
		23,97,11,152	22,00,30,655
17	OTHER CURRENT ASSETS		
	Advance Against Share Application	5,00,000	5,00,000
	Prepaid Expenses	22,37,114	20,62,525
	Service Tax Receivable	19,23,251	17,30,125
	Balances with Customs & Port Trust Authorities	46,184	46,184
	Balances with Excise Department	2,01,939	2,53,535
	Deposit with Govt. Department & Others	1,21,31,553	80,07,876
		1,70,40,041	1,26,00,245
		(Amount in `)	
Note No.	Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
18	REVENUE FROM OPERATIONS		
	Sale of Products (Jute Goods)	2,10,66,35,729	1,47,78,62,341
	Other Operating Revenue		
	Branding Charges (Net)	1,02,31,976	78,51,977
	Revenue from Operations (Gross)	2,11,68,67,705	1,48,57,14,318
	Less : Jute Manufacturing Cess	2,08,31,714	1,49,33,491
	Revenue from Operations (Net)	2,09,60,35,991	1,47,07,80,827
	Sale of Traded Goods	—	71,35,118
		2,09,60,35,991	1,47,79,15,945

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
19	OTHER INCOME		
	Dividend Received		
	- From Other Non Current investments	1,12,687	2,90,116
	Interest Received		
	- On Loans & Others	51,61,710	60,06,534
	Profit on Sale of Fixed Assets (Net)	—	16,52,375
	Profit on Sale of Investments in Shares (Net)	79,65,902	13,34,963
	Rent Received	1,12,96,763	1,58,11,326
	Sale of Scrap	14,24,120	26,73,530
	Liability No Longer Required Written Back	—	19,47,770
		2,59,61,182	2,97,16,614
20	COST OF MATERIALS CONSUMED		
	Raw Materials Consumed		
	Opening Stock	4,18,60,935	9,85,98,000
	Add : Purchases	1,47,91,99,935	73,45,06,522
	Add : Jute Expenses	3,90,68,741	3,16,76,926
		1,56,01,29,611	86,47,81,448
	Less: Closing Stock	12,60,38,152	4,18,60,935
		1,43,40,91,459	82,29,20,513
21	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SHARES IN TRADE		
	Closing Stock		
	Finished Goods	8,56,06,428	6,73,16,596
	Work in Process	5,94,12,560	2,65,25,073
	Shares	94,45,794	94,17,934
		15,44,64,782	10,32,59,603
	Opening Stock		
	Finished Goods	6,73,16,596	12,14,17,739
	Work in Process	2,65,25,073	2,60,36,645
	Shares	94,17,934	1,38,70,120
		10,32,59,603	16,13,24,504
	(Increase) / Decrease in Inventories	(5,12,05,179)	5,80,64,901

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note No.	Particulars	(Amount in `)	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries and Wages	33,69,85,922	28,49,51,833
	Contribution to Provident Fund & Other Funds	3,95,57,710	3,49,27,661
	Staff Welfare Expenses	34,19,683	31,72,196
		37,99,63,315	32,30,51,690
23	FINANCE COSTS		
	Interest Expenses	3,18,52,897	2,99,65,394
	Other Borrowing Costs	5,71,200	7,68,400
		3,24,24,097	3,07,33,794
24	DEPRECIATION & AMORTISATION EXPENSES		
	Depreciation on Tangible Assets	4,13,97,333	4,02,72,189
	Less : Transferred from General Reserve	2,58,04,034	2,58,04,034
		1,55,93,299	1,44,68,155
	Amortisation on Intangible Assets	2,30,574	1,78,517
		1,58,23,873	1,46,46,672
25	OTHER EXPENSES		
	Consumption of Stores & Spare Parts	9,09,35,837	7,75,01,584
	Carriage Inward	52,670	5,33,004
	Power and Fuel	9,68,98,696	8,99,21,459
	Rent	4,20,000	4,20,000
	Repairs to Building	44,91,950	30,42,269
	Repairs to Machinery	48,20,148	31,18,644
	Insurance Charges	20,49,972	35,45,531
	Rates and Taxes	18,95,764	16,62,271
	Securities Transaction Tax	26,778	—
	Loss on Sale of Fixed Assets	10,53,025	—
	Other Manufacturing Expenses	4,41,01,394	3,16,80,306
	Duty, Cess, Entry Tax, Freight and Other Sales Expenses	1,88,27,113	1,57,96,048
	Directors Remuneration	45,00,000	45,00,000
	Auditors		
	Statutory Audit Fees	81,965	72,946
	Other Matters	13,116	55,764
	Miscellaneous expenses (Refer Note No. 30 and 42)	2,14,28,855	3,04,69,188
		29,15,97,283	26,23,19,014

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

26 SIGNIFICANT ACCOUNTING POLICIES

i) **System of Accounting**

- a) The Company generally follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- b) The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 as amended and relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis, other than certain fixed assets which are stated at revalued amount except otherwise mentioned, the accounting policies applied by the Company are consistent with those used in the previous year.

ii) **Use of Estimates**

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialised.

iii) **Property, Plant and Equipment**

- a) Property, Plant and Equipment other than revalued are stated at cost of acquisition or construction and net of subsidy / cenvat less accumulated depreciation / amortisation / impairment, if any.
- b) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
- c) Gains / Losses arising from sale / discard of Property, Plant and Equipment 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 sold / discarded.

iv) **Depreciation on Property, Plant and Equipment**

- a) Depreciation on additions / deletions for Property, Plant and Equipment are charged under Straight Line Method (SLM) according to the useful life specified in Schedule II of the Companies Act, 2013 in terms of Section 123 of the Act, on prorata basis. Depreciation on significant components of Property, Plant and Equipment having different useful lives are depreciated considering its useful life.
- b) Depreciation Property, Plant and Equipment is being provided on Straight Line Method basis as per useful lives specified in Schedule II of the Companies Act, 2013.

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- c) In respect of revalued assets, the difference of depreciation, between Net Asset Value and revalued amount, has been charged to General Reserve.

v) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

vi) Intangible Assets

- a) Cost of Software is capitalised and where it is expected to provide future enduring economic benefits. Capitalisation includes license fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. Expenses incurred on upgradation / enhancement is charged off as revenue expenditure unless they bring similar significant additional benefits.
- b) Capitalised software is amortised on straight line method over a period of five years as per Accounting Standard-26 as notified by Companies (Accounts) Rules, 2014 (as amended).

vii) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and direct attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

viii) Exchange Fluctuations

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

c) Exchange Differences

Exchange differences arising on the settlement of monetary items are recognised as income or as expense in the year in which they arise.

ix) Inventories

- a) Inventories are valued at lower of the cost and net realisable value. Costs in respect of these inventories is determined on monthly/annual weighted average method. Cost in respect of finished stock and process stock is estimated considering direct material, production overhead and appropriate portion of administrative overheads.
- b) Cess duty payable on finished goods lying at factory at the year end is included in the valuation of finished goods.
- c) Stock of shares and debentures has been valued at cost or market value whichever is lower.

x) Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

xi) Borrowing cost

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other Borrowing costs are recognised as expense in the period in which they are incurred.

xii) Employees Benefits

a) Defined Contribution Plans

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 Profit & Loss Account 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.

b) Other Retiral Benefits

The liability for gratuity at the end of the year payable to employees is determined on the basis of actuarial valuation under Revised AS-15 norms but the same has not been provided and is reflected by way of a note to the accounts. 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.

xiii) Sales

- a) Sales other than through consignees are accounted for on passing of property as per terms of sales and as per prevailing business practice in this regard.

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- b) Goods sent on consignment are accounted for as sale on the basis of receipt of Account Sale from respective consignees and in cases where account sales have not been received till the year end, sales are accounted for on the basis of proforma invoices raised.
- c) Sales is exclusive of cess duty and sales tax/Value Added Tax (VAT), rebate, discounts etc. are excluded therefrom.

xiv) Revenue Recognition

- a) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise, are accounted for on mercantile basis.
- b) Delayed payment charges to Raw Jute Suppliers are recognized as and when settled/paid.

xv) Government Grants

Revenue grants including subsidy / rebates are credited to Profit and Loss Account under "Other Income" or deducted from the related expenses. Grants relating to fixed assets are credited to Capital Reserves Account or adjusted in the cost of such assets as the case may be. These are accounted for as and when the ultimate realisability is established.

xvi) Claims

Insurance and other claims receivable are accounted for as and when ascertained/realised.

xvii) Expenses

Expenses under primary heads such as salary, wages, consumption of stores & raw materials etc. are being shown as usual in their respective heads of accounts instead of functional re-classification.

xviii) Taxation

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of MAT under section 115JB of the Income Tax Act, 1961, MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognised, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognised only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit and Loss as current tax. The company recognises 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 recognises 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

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS *(Contd.)*

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.

xix) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision 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.

xx) Contingent liabilities

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.

xxi) Prior Period Items

Prior Period and Extra Ordinary Items and Changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

xxii) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

27. Corporate Information

Budge Budge Company Limited (the company) and its subsidiary (collectively referred to as "the Group") are engaged in manufacturing and selling of jute products and real estate. The group caters to only the domestic market. The group is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The holding company's shares are listed on two stock exchanges in India. The quality management system of holding company has been assessed and found to meet the requirements of ISO 9001:2008.

28. Principles of Consolidation

- a) The consolidated financial statements are prepared using accounting policies for like transactions and other events in similar circumstances and are prescribed in the same manner as the company's separate financial statements.

The consolidated financial statements have been prepared on the basis of AS-21, issued by The Chartered Accountants of India read with the following assumption :

The financial statement of the parent company and its subsidiary company have been combined on a line-by-line basis by adding together the books value of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and intra-group transactions resulting in unrealised profits or losses.

The excess / deficit of the cost of its's investments in it's subsidiary over it's share of networkth (residual interest in the assets of the subsidiary after deducting all it's liabilities) of the subsidiary at the date of investment in the subsidiary are treated as capital reserve in the Consolidated Financial Statements.

- b) The Consolidated Financial Statements represents consolidation of the Accounts of Budge Budge Company Limited with the following :-

i) **Subsidiary :**

Name of the Company : Vasavi Infrastructure Projects Limited (w.e.f 6th November, 2010)

Country of Incorporation : India

Extent of Holding : Upto 01.01.2015 : 79.21 %

: From 02.01.2015 Onwards : 96.04 %

ii) **Associates :**

> Name of the Company : Rash Behari Construction Private Limited (w.e.f 01.04.2005)

Country of Incorporation : India

Extent of Holding : 33.04%

> Name of the Company : Southwest Fintrade Udyog Limited (w.e.f 01.04.2005)

Country of Incorporation : India

Extent of Holding : 41.75%

BUDGE BUDGE COMPANY LIMITED

29. Contingent Liabilities not provided for in respect of following :

	Current Year Rs.	Previous Year Rs.
a) Sales Tax demands pending with appellate authorities	14,38,26,110	17,78,36,929
b) Bonus Payable as per amendment in the Act	42,29,513	Nil
c) 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.	11,45,951	11,45,951
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 the management.		
30 Miscellaneous Expenses includes Rs. Nil (Previous Year Rs. 22,49,127/-) on account of short realisation on settlement of insurance claim against fire occurred at mills the financial year 2013-14.		
31 The future liability of Rs. 17,02,01,504/- (Previous Year Rs. 15,75,72,355/-) being gratuity payable to employees determined as per actuarial valuation as at 31st March, 2016 under Revised AS-15 norms has not been provided for in the accounts due to non-availability of adequate surplus.		
32 . i) Investments are of long term in nature and as such no provision for diminution in the break up value of unquoted shares has been considered necessary.		
ii) Certain shares/debentures held as investments/stock valued at Rs. 18,238/- had been lost in transit and hence could not be produced to the auditors for verification. Necessary legal steps have been initiated against the same.		
33 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, 2016.		
34 The arrear cumulative dividend on 6000 Nos of 11% Redeemable Cumulative Preference Shares of Rs. 100/- each till 31.03.2013 amounted to Rs. 25,63,529/-.		
35 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. 1,37,71,765/- paid by it 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 :		

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

- a) The amount of Rs. 1,37,71,765/- along with interest of Rs. 78,60,754/- accrued there upon upto 31.03.2004 on having been considered good for recovery is accounted for under the head "Advances Recoverable in Cash or in Kind". Further Sales Tax Dues amounting to Rs. 63,73,618/- have been netted out of the above amount.
- b) The company has withheld the repayment of principal and interest accrued on sales tax Loan.
- 36 Disclosure of Sundry Creditors and Current Liabilities is based on the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Amount payable includes as on 31st March, 2016 to Micro, Small and Medium Enterprises an amount of principal together with interest aggregate to Rs. NIL (Previous Year Rs. NIL).
- 37 The Company has only one segment i.e. manufacturing of Jute Goods and as a result the reporting required of AS-17 "Segment Reporting" as issued by ICAI are not attracted.
38. Related party disclosures as identified by the management in accordance with the Accounting Standard - 18 issued by The Institute of Chartered Accountant of India are as follows :-

A) Relationship

- i) Parties where common Control exists : None
- ii) Other Related parties with whom the Company has entered into transactions during the year.

a) Associates

- i) A.M. Udyog Limited
- ii) A.M. Business & Finance Limited
- iii) Bengal Investments Limited
- iv) Jackson Mercantiles LLP
- v) P & A Bottlers P. Ltd.
- vi) Ripon Estates Ltd.
- vii) Southwest Construction P. Ltd.
- viii) Suncity Properties P. Ltd.
- ix) Tivolipark Apartments (P) Ltd.
- x) Tyron Agency P. Ltd.

b) Key Management Personnel & Relatives

Shri Ashok Kumar Poddar (Executive Chairman))

Shri Manish Poddar (Managing Director)

Smt. Madhushree Poddar (Director)

Smt. Divya Poddar

Miss Vasavi Poddar

Shri Danveer Singhi (Company Secretary)

Shri Praveen Kumar Ghorawat (Chief Financial Officer)

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Shri O. P. Rathi
Shri O. P. Sharma

c) Enterprises over which key management personnel and / or their relatives have significant influence :

None

B) Transactions during the year with related parties in normal course of business & balances at the end of the financial year :

	In relation to item no.			
	A(i) above		A(ii) above	
	<u>2015-16</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2014-15</u>
i) Managerial Remuneration	6460609	6149013	—	—
ii) Payment to Raw Jute Creditors	—	—	472536699	42216647
iii) Purchase of Raw Materials	—	—	470452187	412934607
iv) Loans Given	—	—	240000	2280529
v) Advances Given	—	—	23576331	29371205
vi) Interest Received	—	—	2105128	1721183
vii) Advances Received	—	—	10266196	54650000
viii) Reimbursement of Expenses Received	—	—	31100	—
ix) Outstanding Payable As On 31.03.2016	—	—	175573247	177657759
x) Outstanding Receivable As On 31.03.2016	—	—	76286576	45529251

39. The Company is mainly engaged in the business of manufacturing of Jute goods. During the year, risks and returns of the enterprise will therefore continue to be associated with business of manufacturing of Jute goods. Necessary segment information with respect to business of Jute goods are as follows :

The business segment has been considered as primary segment for reporting segment information.

Information about Geographical segments :

(Amount in Rs.)

	Domestic		Exports		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue						
From External Customers	Nil	Nil	Nil	Nil	Nil	Nil
Segment Assets	1546717948	1310860450	Nil	Nil	1546717948	1310860450

BUDGE BUDGE COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

40. Statement showing calculation of Earning Per Share as per AS 20 of ICAI

	<u>2015-16</u>	<u>2014-15</u>
Profit/(Loss) After Tax	17256710	(5939190)
Weighted average number of Equity Shares of Rs. 10 Each fully paid up	6382151	6382151
Earning Per Share (in Rs.) (Basic & Diluted)	<u>2.70</u>	<u>(0.93)</u>

41. Effective from 1st April, 2014, the Company has changed Depreciation rates on various fixed assets as per the remaining useful lives specified in Part C of Schedule II to the Companies Act, 2013. Based on the current estimate, the carrying value, net of residual value as at 1st April, 2014 of Rs. 10,25,182/- on account of the fixed assets whose useful life is already exhausted as on 1st April, 2014 has been adjusted to Retained Earnings. Had there not been any change in useful lives of the assets, depreciation for the year ended 31st March, 2015 would have been higher by Rs. 53,85,324/-.

42. The Company has made a provision of Rs. 6,22,618/- (Previous Year Rs. 9,46,450/-) in its books of accounts towards contributions for Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. Out of Rs. 15,69,068/- earmarked for CSR activities in the financial years 2014-15 and 2015-16, Rs. Nil has been incurred for activities specified in Schedule VII of the Companies Act, 2013.

43. Expenditure in Foreign Currency :

	For the year ended 31.03.16 Rs.	For the year ended 31.03.15 Rs.
Travelling Expenses	2006863	2453052

44. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.

P-21/22, Radha Bazar Street Kolkata - 700 001 Dated the 23rd day of May, 2016	For JAIN & CO. <i>Chartered Accountants</i> Registration No. 302023E M. K. JAIN <i>Partner</i> Membership No. 55048	ASHOK KUMAR PODDAR, <i>Chairman</i> MANISH PODDAR, <i>Mg. Director</i> D. V. SINGHI, <i>Secretary</i> P. K. GHORAWAT, <i>Chief Financial Officer</i>
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BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	(Amount in `)	
	As at 31.03.2016	As at 31.03.2015
A) CASH FROM OPERATING ACTIVITIES		
Net profit/loss before tax & extra ordinary items	19302325	(4104025)
Adjustments for :		
Depreciation	15823873	14646672
Interest Paid	31852897	29965394
Rent Received	(11296763)	(15811326)
Dividend Income	(112687)	(290116)
Interest Received	(5161710)	(6006534)
Profit / (Loss) on Sale of Property, Plant & Equipment	1053025	(1652375)
Profit on Sale of Investments (Net)	(7965902)	(1334963)
	<u>24192733</u>	<u>19516752</u>
Net Profit/Loss before working capital changes	43495058	15412727
Adjustment for :		
Trade & Other Receivables	(82967991)	3959345
Inventories	(162603704)	97045864
Net Increase / Decrease in Other Loans & Advances	(25203907)	(58086189)
Net Increase / Decrease in Current/ Non Current Liabilities	<u>197609820</u>	<u>15245664</u>
	<u>(73165782)</u>	<u>58164684</u>
Cash generated from operating activities	<u>(29670724)</u>	<u>73577411</u>
Direct Taxes Paid (Net of Refund)	<u>(5957287)</u>	<u>(2947471)</u>
Cash Flow before Extra Ordinary Items	<u>(35628011)</u>	<u>70629940</u>
Extra Ordinary Items	<u>—</u>	<u>—</u>
NET CASH FROM OPERATING ACTIVITIES	<u>(35628011)</u>	<u>70629940</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(24768084)	(41048210)
Subsidy Received	—	5670658
Purchase of Investments	(16565000)	(35960048)
Sale of Property, Plant & Equipment	3071829	2187000
Sale of Investment	16791679	3878733
Dividend Income	112687	290116
Rent Received	11296763	15811326
Interest Received	<u>5161710</u>	<u>6006534</u>
NET CASH FROM INVESTING ACTIVITIES	<u>(4898416)</u>	<u>(43163891)</u>

BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 *(Contd.)*

	(Amount in `)
As at 31.03.2016	As at 31.03.2015
C) CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Long Term Borrowings	(20554136) 17463667
Proceeds from Short Term Borrowings	83059267 (31073209)
Proceeds from Issue of Equity Shares	— 30000000
Interest Paid	(31852897) (29965394)
NET CASH FROM FINANCING ACTIVITIES	30652234 (13574936)
NET INCREASE IN CASH & CASH EQUIVALENTS	(9874193) 13891113
OPENING CASH & CASH EQUIVALENTS	36226769 22335656
CLOSING CASH & CASH EQUIVALENTS	26352576 36226769

The accompanying notes from 1 to 44 form an integral part of the financial statements.

As per our Report attached of even date

For JAIN & CO.

Chartered Accountants
Registration No. 302023E

M. K. JAIN
Partner

Membership No. 55048

P-21/22, Radha Bazar Street
Kolkata - 700 001

Dated the 23rd day of May, 2016

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*