



GAYATRI  
GROUP

# BUDGE BUDGE COMPANY LIMITED





An ISO 9001:2008, 14001:2004 & OHSAS 18001:2007 Certified Company

REGD. OFFICE : 16A BRABOURNE ROAD, (9TH FLOOR) KOLKATA 700 001 INDIA

☎ : +91 33 4010-8000, Fax : +91 33 4010-8080 ✉ : bbcl@gayatrigroup.co

CIN - L26941WB1973PLC028796

## FORM A

1.	Name of the Company:	Budge Budge Company Ltd.
2.	Annual financial statements for the year ended	31st March, 2015.
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	a) CEO/Managing Director	
	b) CFO	
	c) Auditors of the Company	For JAIN & CO.  Partner
	d) Audit Committee Chairman	

# **BUDGE BUDGE COMPANY LIMITED**



**42nd  
ANNUAL REPORT  
2014 - 2015**

# 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

### **WORKS**

Budge Budge Jute Mills  
64, Moulana Azad Road  
Budge Budge

# BUDGE BUDGE COMPANY LIMITED

## NOTICE

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**NOTICE** is hereby given that the 42nd 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 26th day of September, 2015 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, 2015, Audited Profit & Loss Statement 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 Mrs. Madhushree Poddar (DIN 01301449), who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company until the conclusion of 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. RE-APPOINTMENT OF MR. ASHOK KUMAR PODDAR AS AN EXECUTIVE CHAIRMAN**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution :

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Ashok Kumar Poddar (holding DIN 00282924), as an Executive Chairman of the Company for a period of 3 (three) years with effect from 1st April, 2015 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ashok Kumar Poddar, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

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

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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### 5. RE-APPOINTMENT OF MR. MANISH PODDAR AS A MANAGING DIRECTOR

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution :

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Manish Poddar(holding DIN 00283036), as Managing Director of the Company and also designated as Key managerial personnel (KMP), for a period of 3 (three) years with effect from 1stApril, 2016 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors(hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Manish Poddar, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

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

### 6. 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 provisions 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, 2016, 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.”

Place : Kolkata  
Date : 08 August, 2015

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

**Danveer Singhi**  
*Company Secretary*

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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### 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. The profile of the Directors seeking appointment/re-appointment, as required in terms of Clause 49 of the Listing Agreement entered with the Stock Exchange is annexed hereto and forms part of this Notice.
2. 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.
3. The instrument appointing the proxy duly completed, to be valid must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form is enclosed.
4. 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.
5. 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 authorising their representative to attend and vote on their behalf at the Meeting.
6. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. 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.
8. 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. 19.09.2015.  
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 R&TA.
9. The Register of Members and Share Transfer Books will remain closed from 21st September, 2015 to 26th September, 2015 (both days inclusive) for the purpose of this AGM.
10. 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.
11. 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.
12. 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 mode who have not registered their e-mail addresses so far are requested to register their e-mail address to the RTA / Company for receiving all aforesaid communication from the Company, electronically.

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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13. The Notice of the 42nd AGM, along with the Annual Report, Attendance Slip and Proxy Form 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 2015 are being sent in the permitted mode. The documents referred to above are also available on the Company's website :[www.gayatrigroup.co](http://www.gayatrigroup.co)
14. 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.
15. **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 Clause 35B of the Listing Agreement, 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. The instructions for shareholders voting electronically are as under :
    - (i) The voting through electronic means will commence on Wednesday, the 23rd day of September, 2015 at 10.00. a.m and will end on Friday, the 25th day of September, 2015 at 5.00 p.m. 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.
    - (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - (iii) Click on "shareholders" tab.
    - (iv) After that enter your user ID :
      - a. For CDSL: 16 digits beneficiary ID;
      - b. For NSDL; 8 Character DP ID followed by 8 Digits Client ID; and
      - c. Members holding shares in physical form should enter folio number registered with the Company.
    - (v) Next enter the image verification as displayed and click Login.
    - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of the Company, then your existing password is to be used.
    - (vii) If you are a first time user follow the steps given below :

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as Physical Shareholders).  *Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number provided at the attendance slip enclosed herewith in the PAN field.
DOB#	Enter the Date of Birth (DOB) as recorded in your demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.  Please enter the DOB or Dividend Bank Details in order to Login. If the details are not recorded with the depository or Company please enter the member ID/folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) The Members holding shares in physical form will then reach directly the Company selection screen. However, the Members holding shares in demat form will then 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 for 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.
- (x) For the Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the notice.
- (xi) Click on the EVSN for the relevant <Budge Budge Company Limited> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xvii) If demat account holder has forgotten the changed password then enter the User ID and the



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## NOTICE (Contd.)

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image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than individuals, HUF, NRI, etc) are required to log on to <http://www.evotingindia.co.in> and register themselves as corporate.
- They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). And on approval of the accounts they will be able to cast their vote.
- They should upload a scanned copy of the board resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xviii) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

16. 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.
17. 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.
18. 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.
19. 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.
20. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.gayatrigroup.co](http://www.gayatrigroup.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 Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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### 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 terms of appointment of Mr. Ashok Kumar Poddar as an Executive Chairman was expired on 31st March, 2015. The Board at its meeting held on 30th March, 2015, has re-appointed, subject to the approval of members in the general meeting, Mr. Ashok Kumar Poddar as an Executive Chairman of the Company for a period of 3 (three) years commencing from 1st April, 2015 on the following remuneration, perquisites and other terms & conditions as recommended by the Nomination and Remuneration Committee :

**A. Salary :** Rs. 2,00,000/- per month.

**B. Perquisite :**

1. **House Rent Allowance :** The expenditure on furnished accommodation upto Rs. 10,000/- per month or House Rent Allowance of 5% of salary per month in lieu thereof.
2. **Medical Reimbursement :** Reimbursement of Medical expenses incurred for self and family subject to ceiling of one month salary in a year. However, this medical entitlement can be accumulated for the period of 3 years.
3. **Leave Travel Concession :** Leave travel concession for self and family once in a year subject to ceiling of one month Salary.
4. **Club Fees :** Fees of Club subject to a maximum of two clubs. No admission and life membership fees will be paid.
5. **Personal Accident Insurance :** Personal accident insurance for an amount, the annual premium of which shall not exceed Rs. 15,000/- p.a.
6. **Gratuity :** As per Gratuity Act, not exceeding half month salary for each Completed year of service.
7. **Provision for Car :** Free use of Car for official purposes. Use of car for Private purposes shall be billed by the Company.
8. **Provision for Telephone :** Use of telephone at residence will be provided and it will not be considered as perquisites. Personal long distance calls shall be billed by the Company.
9. **Earned or Privileged Leave :** As per rule of the Company. However, leave accumulated and not availed of will not be en-cashed.
10. **Other Terms :** Shri Ashok Kumar Poddar, as long as he functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors of any Committee thereof.

Mr. Ashok Kumar Poddar shall not be liable to retire by rotation unless any of the provisions of the Act requires his retirement by rotation during his tenure as an Executive Chairman.

Mr. Ashok Kumar Poddar is a Bachelor of Commerce from University of Calcutta and has achieved a

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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landmark in the Jute Sector. Presently he is acting as an Executive Chairman of the Company and looking after all the business operation of the Jute mills.

Mr. Ashok Kumar Poddar holds 14,36,920 equity shares of the Company.

Mr. Ashok Kumar Poddar has attained the age of 70 years and as per the provision of section 196(3) and Part I of Schedule V of the Companies Act, 2013 requires approval of Shareholders by means of special resolution for appointment of a person who has attained the age of seventy.

Besides, as per the provision of section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial person, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing a special resolution.

**A Statement as per Schedule V (third proviso of Section II of Part II) in respect of re-appointment of Mr. Ashok Kumar Poddar as an Executive Chairman is annexed hereto which forms part of this explanatory statement.**

Except Mr. Ashok Kumar Poddar, Mr. Manish Poddar and Mrs. Madhushree Poddar, none of the Directors or any key managerial personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the special resolution as set forth in Item no. 4 for the approval of the members of the Company.

The letters of Appointment issued to Mr. Ashok Kumar Poddar setting out the terms of his appointment is open for inspection at the Registered Office of the Company by any members during business hours in all working days till the conclusion of the ensuing Annual General Meeting.

### **Item No. 5**

The present term of appointment of Mr. Manish Poddar as a Managing Director would expire on 31st March, 2016. Due to extensive involvement in the business affairs of the Company, the Board of Directors at its meeting held on 08th August 2015 has re-appointed Mr. Manish Poddar as a Managing Director, subject to the approval of members by a special resolution in the ensuing Annual General Meeting of the Company, for a further period of 3 (Three) years commencing from 1st April, 2016 on such terms and conditions as recommended by the Nomination and Remuneration Committee in its meeting held on 08th August 2015 and as approved by the Board are as follows -

**A. Salary :** Rs. 2,00,000/- per month plus annual increment of Rs. 20,000/- per month.

**B. Perquisite :**

- 1. House Rent Allowance :** The expenditure on furnished accommodation upto Rs. 10,000/- per month or House Rent Allowance of 5% of salary per month in lieu thereof.
- 2. Medical Reimbursement :** Reimbursement of Medical expenses incurred for self and family subject to ceiling of one month salary in a year. However, this medical entitlement can be accumulated for the period of 3 years.

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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3. **Leave Travel Concession** : Leave travel concession for self and family once in a year subject to ceiling of one month Salary.
4. **Club Fees** : Fees of Club subject to a maximum of two clubs. No admission and life membership fees will be paid.
5. **Personal Accident Insurance** : Personal accident insurance for an amount, the annual premium of which shall not exceed Rs. 15,000/- p.a.
6. **Gratuity** : As per Gratuity Act, not exceeding half month salary for each Completed year of service.
7. **Provision for Car** : Free use of Car for official purposes. Use of car for Private purposes shall be billed by the Company.
8. **Provision for Telephone** : Use of telephone at residence will be provided and it will not be considered as perquisites. Personal long distance calls shall be billed by the Company.
9. **Earned or Privileged Leave** : As per rules of the Company. However, leave accumulated and not availed of will not be en-cashed.
10. **Other Terms** : Mr. Manish Poddar, as long as he functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors or any Committee thereof.

Mr. Manish Poddar shall not be liable to retire by rotation unless any of the provisions of the Act requires his retirement by rotation during his tenure as Managing Director.

Mr. Manish Poddar is a commerce graduate from Calcutta University and is 43 years of age. He has his expertise in Specific Functional Areas of Finance, Administration and General Corporate Areas. He is entrusted with production, marketing, financial, administration aspects and overall management of the Company.

He holds 10,04,780 equity shares of the Company in his own name.

In view of the provision of section 197(3) and Part II of Schedule V of the Companies Act, 2013 where in any financial year during the currency of tenure of a managerial person, a Company has no profit or its profit are inadequate the appointment of a person as managerial personnel is to be approved by the members by passing a special resolution.

**A Statement as per Schedule V (third proviso of Section II of Part II) in respect of re-appointment of Mr. Manish Poddar as a Managing Director is annexed hereto which forms part of this explanatory statement.**

Except Mr. Manish Poddar, Mr. Ashok Kumar Poddar and Mrs. Madhushree Poddar, none of the Directors or any key managerial personnel or their relatives is in any way, financially or otherwise, directly or indirectly, concerned or interested in the aforesaid resolution.

The Board recommends the special resolution as set forth in Item no. 5 for the approval of the members of the Company.

The letters of Appointment issued to Mr. Manish Poddar setting out the terms of his appointment is open

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

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for inspection at the Registered Office of the Company by any members during business hours in all working days till the conclusion of the ensuing Annual General Meeting.

### **Item No. 6**

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, 2016 at a remuneration of Rs. 25,000/- per year as their Audit fees.

In accordance with the provisions of Section 148 of the Companies Act, 2013, 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

The Board of Directors recommends the resolution set out in Item No. 6 of the accompanying notice for the approval of the members.

None of the Directors, Managers, Key managerial personnel of your Company and their relatives 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 : 08 August, 2015

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

**Statement as per Schedule V (third proviso of Section II of Part II) in respect of re-appointment of Mr. Ashok Kumar Poddar as an Executive Chairman and Mr. Manish Poddar as a Managing Director**

**I. General Information :**

- 1) Nature of industry : Manufacturing of Jute Products
- 2) Date or expected date of commencement of commercial production : Not Applicable as it is an existing Company since 1973.
- 3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable.
- 4) Financial performance based on given indicators :

	31.3.2015	31.3.2014	(Rs in Lakhs)	31.3.2013
Turnover (Gross) :	14779.16	16297.47		16987.42
Net Profit/(Loss) :	(65.47)	262.82		434.55

- 5) Foreign investments or collaborations, if any: Not Applicable

**II. Information about the appointee :**

Name of the appointee	Ashok Kumar Poddar	Manish Poddar
<b>Background details</b>	Mr. Ashok Kumar Poddar, age 71 years, is a Bachelor of Commerce and has achieved a landmark in the jute industry and Real Estate.	Mr. Manish Poddar age 43 years, is a Bachelor of commerce and has got experience in Jute Industry and Real Estate. He is an ex-chairman of IJMA
<b>Past remuneration</b>	Rs. 24.00 Lac p.a. plus perquisites	Rs. 21.00 Lac p.a. plus perquisites
<b>Recognition or awards</b>	N.A.	N.A.
<b>Job profile and his suitability</b>	He is responsible for operation and other functions of the Company.	He is entrusted with production, marketing, financial, administration aspects and overall management of the Company.
<b>Remuneration proposed</b>	Rs. 24.00 lac p.a. plus perquisites as per resolution.	Rs. 24.00 lac p.a. plus perquisites as per resolution.
<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	The Board is of the opinion that the proposed remuneration is commensurate with his role and responsibility as an executive Chairman of the Company.	The Board is of the opinion that the proposed remuneration is commensurate with his role and responsibility as a Managing Director of the Company.
<b>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.</b>	No pecuniary relationship with the Company except managerial remuneration. He is related to Mr. Manish Poddar, Mg. Director of the Company.	No pecuniary relationship with the Company except managerial remuneration. He is related to Mr. Ashok Kumar Poddar, Executive Chairman of the Company.

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

### III. Other information :

- i) **Reasons of loss or inadequate profits :** During the year 2014-15 the production has decreased by approximately by 6000 M/T as compared to last year, due to poor off take from Govt. Agencies as well as local market, hence there is an under recovery of the Fixed Cost. Further due to huge increase in the wages i.e. by approximately 8 %, which has increased the entire labour cost with cascading effect of increase in their other perquisites like Provident Fund, Gratuity, Pension liabilities, etc.
- ii) **Steps taken or proposed to be taken for improvement :** Various measures and suitable steps have been taken to cope with the increased cost of production for increasing efficiency/ productivity/ quality in the coming years.
- iii) **Expected increase in productivity and profitability in measurable terms :** The Company expects substantial increase in production and profitability after implementation of its necessary steps for improvement.

### IV. Disclosures :

The requisite disclosures have been set out in Corporate Governance Report which forms part of the Annual Report for the F.Y. 2014-15 of the Company.

#### Additional information of Directors recommended for re-appointment of Managerial Personnel as required under clause 49 of the Listing Agreement

Sl. No	Name of the Directors	Mrs. Madhushree Poddar	Mr. Ashok Kumar Poddar	Mr. Manish Poddar
1	Date of Birth	07.10.1949	28.06.1944	21.11.1971
2	Nationality	Indian	Indian	Indian
3	Date of appointment on board	11.08.2014	17.01.1981	26.12.1994
4	No. of shares held	740600	1436920	1004780
5	Qualification & Expertise	B.A. Experience in Logistics	B.com Vast experience in various Industries including jute, tea and real estate	B.Com Vast experience in Jute industry and real estate.
6	Directorship in other Companies	Ashmani Developers Ltd.	Ripon Estates Ltd. Bengal Investments Ltd.	A M Business & Finance Ltd. Vasavi Infrastructure Projects Ltd. Tivoli Court Pvt. Ltd.

# BUDGE BUDGE COMPANY LIMITED

## NOTICE (Contd.)

				Tivoli Park Apartments Pvt. Ltd. Startrade Goods Pvt. Ltd. Sun City Properties Pvt. Ltd. Indian Jute Mills Association P & A Bottlers Pvt. Ltd. Primesoft Vintrade Pvt. Ltd. Marigold Heights Pvt. Ltd.
7	<b>Member/ Chairman of the Board Committees in other Companies*</b>	NIL	NIL	NIL

\*Information with respect to Chairmanship/ membership in Board committees of the Company for the above Directors has been detailed in the section 'The Report on Corporate Governance' as annexed to this Annual Report Details of Committee Chairmanship/ memberships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Companies(both listed and unlisted).



# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Forty second Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2015.

### FINANCIAL RESULTS

(Rs./Lakhs)

Particulars	FY 2014-15 Amount	FY 2013-14 Amount
i. Turnover	14779.16	16297.47
ii. Other Income	261.30	163.15
iii. Total Revenue	15040.46	16460.62
iv. Earnings Before Interest, Depreciation, Taxation and Amortization (EBIDTA)	403.57	775.45
v. Finance Cost	307.33	218.02
vi. Depreciation	144.47	186.33
vii. Profit before Taxation (PBT)	(48.23)	371.11
viii. Tax including Deferred Tax	17.24	108.28
ix. Profit after Taxation (PAT)	(65.47)	262.82
x. Profit brought forward from previous year	614.47	751.65
xi. Surplus in the Statement of Profit & Loss Account	(65.47)	262.82
xii. Transfer to General Reserve	-	400.00
xiii. Balance Carried to Balance Sheet	549.00	614.47

### OPERATIONS :

Production during the year was 23449 M/T compared to 29496 M/T in the previous year which is much lower than last year. The Company was compelled to cut down the production during the current year due to poor demand of its products in the market. Supply orders from Govt. Agencies were very poor due to which the prices of finished goods remained unremunerative. 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 earned Rs.158.11 lakh as rent. Accordingly, the Company during the year has incurred a net loss of Rs. 65.47 lakh compared to net profit of Rs. 262.82 lakh in the previous year.

### PERFORMANCE & FINANCIAL POSITION OF SUBSIDIARY :

#### VASAVI INFRASTRUCTURE PROJECTS LTD.

The company has reported total income of Rs. 35.84 lakh during the year as compared to Rs. 18.17 lakh in the previous year. Net Profit of the company is Rs. 6.49 lakh as compared to Rs. 2.01 lakh in the

# **BUDGE BUDGE COMPANY LIMITED**

## **DIRECTOR'S REPORT (Contd.)**

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previous year. The company is in the Real estate business and two projects at Nabadip are under progress.

### **LISTING OF EQUITY SHARES :**

Your Directors take immense pleasure to announce that your Company got listed for trading in its equity shares with effect from 19th November, 2014 with the Bombay Stock Exchange Limited (BSE).

### **DIVIDEND :**

In view of the losses incurred during the financial year under review the Board of Directors of the Company is unable to recommend any dividend for the financial year ended 31st March, 2015.

### **DEPOSITS :**

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

### **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 and loss 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;
- iv) The Directors have prepared the annual accounts on a going concern basis; and
- 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.
- 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 revised Clause 49 of the Listing Agreement 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

# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT (Contd.)

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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'.

### MANAGEMENT DISCUSSIONS & ANALYSIS REPORT :

A report on Management Discussion & Analysis is given in the Annexure – 'E' to this report.

### 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 – 'F' to this Report, attached hereto.

### COMPANY'S WEBSITE :

The website of your Company, [www.gayatrigroup.co](http://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 has been uploaded.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL :

#### i) Retirement by Rotation :

Mrs. Madhushree Poddar (DIN 01301449), Director 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 herself for re-appointment.

#### ii) Re-appointment of Executive Chairman and Mg. Director :

- a) Mr. Ashok Kumar Poddar (DIN 00282924) was re-appointed as an Executive Chairman of the Company with effect from 1st April, 2015 for a period of 3(three) years by the Board of Directors of the Company in its meeting held on 30th March, 2015 on such terms and conditions as recommended by the Nomination & Remuneration Committee pursuant to the provisions of sections 196, 197, 198 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 subject to shareholders' approval by means of a special resolution in the ensuing Annual General meeting of the Company. His re-appointment as an Executive Chairman has been proposed accordingly.
- b) The present term of appointment of Mr. Manish Poddar (DIN 00283036) as Managing Director would expire on 31st March, 2016. The Board of Directors at its meeting held on 8th August, 2015 has re-appointed Mr. Manish Poddar as Managing Director, pursuant to the provisions of sections 196, 197, 198, 203 read with Schedule V and/or any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 subject to the approval of members by a special resolution in the ensuing Annual General Meeting of the Company, for a further period of 3 (Three)

# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT (Contd.)

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years commencing from 1st April, 2016 on such terms and conditions as recommended by the Nomination and Remuneration Committee.

### iii) Appointment of Whole time- Key Managerial Personnel (KMP) :

Pursuant to the provisions of Section 203 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Rule 8(5)(iii) of Companies (Accounts) Rules, 2014 the Board has appointed the following personnel as the designated Whole time Key Managerial Personnel of the Company within the meaning of the said section :

- a) Mr. Manish Poddar – Managing Director.
- b) Mr. Danveer Singhi – Company Secretary & Compliance Officer.
- c) Mr. Praveen Kumar Ghorawat – Chief Financial Officer.

There is no change in the Key Managerial Personnel during the year. However, Mr. Manish Poddar, Managing Director has been proposed to be continued as KMP for a further period of 3 (three) years w.e.f. 1st April, 2016.

None of the Directors of the Company as mentioned in item nos. (i), (ii) & (iii) 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) & 149(6) of the Companies Act, 2013, as applicable.

### CORPORATE SOCIAL RESPONSIBILITY (CSR) :

Your Company is not falling under the purview of section 135 of the Companies Act, 2013 and the relevant Rules made thereunder is not applicable for the time being . Thus the Board is not required to constitute the CSR Committee and nor has to comply with any of the provisions thereof.

### 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 2015-16.

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 2015-16. The Company has received consent and confirmation of eligibility for their re-appointment as the Cost Auditors of the Company for the year 2015-16.

#### (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 2014-15 under

# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT (Contd.)

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the provisions of section 204 of the Companies Act, 2013. The report of the Secretarial Auditor in MR 3 is enclosed as Annexure - 'G' to this Board's Report, which is self-explanatory and hence do not call for any further explanation.

### **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](http://www.gayatrigroup.co) and the declaration to this effect is given in Annexure - 'H'

### **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](http://www.gayatrigroup.co). Further, in accordance with the provisions 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 procedure for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

### **DISCLOSURES AS PER APPLICABLE ACT AND LISTING AGREEMENT :**

#### **i) Related Party Transactions :**

All transaction entered with related parties during the f.y. 2014-15 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 which may have potential conflict of interest with the Company at large. Accordingly, disclosure in Form AOC 2 is not required.

The necessary disclosures regarding the transactions 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.

#### **ii) Number of Board Meetings :**

The Board of Directors met 4 (four) times in the year 2014-15 and 2(two) Board Meetings were held by circulation. 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. 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 is enclosed as Annexure - 'I' .

#### **v) Risk Analysis :**

The Company has in place a mechanism to inform the Board members about the Risk assessment

# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT (Contd.)

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and mitigation plans and periodical reviews 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. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed.

**vii) Loans, Guarantees and Investments :**

During the year under review, your Company has invested and deployed its surplus funds in Securities which 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 2014-15.

**ix) Subsidiaries, Associates or Joint Ventures :**

M/s. Vasavi Infrastructure Projects Limited is the only subsidiary Company of your Company. It is an unlisted Company emerging in construction business. M/s. A M Udyog Ltd. is an Associate Company 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 Company is given in Annexure - 'J'. 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. Further the Annual Accounts and related documents of the subsidiary Company shall be kept open for inspection at the registered office of the company during the business hours. The Company will also make available copy thereof upon specific request by any member of the Company, interested in obtaining the same.

**x) Evaluation of the Board's Performance :**

During the year under review, the Board, in compliance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, has adopted 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.

# BUDGE BUDGE COMPANY LIMITED

## DIRECTOR'S REPORT (Contd.)

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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) and Senior Management Executives of the Company.
- 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) :**

Your Company has formulated a Whistle Blower Policy and employees of the Company are encouraged to escalate to the level of the Audit Committee 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 employees from reprisals or victimization, for whistle blowing in good faith.

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

**SIGNIFICANT & MATERIAL ORDERS PASSED BY REGULATOR OR COURTS OR TRIBUNALS IMPACTING GOING CONCERN STATUS AND COMPANIES OPERATIONS IN FUTURE :**

There have been no significant & material orders passed by regulator / courts / tribunals impacting going concern status and Companies 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 : 08 August, 2015

**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.)

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### 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 :

	<b>2014-15</b> (Rs. in lacs)	<b>2013-14</b> (Rs. in lacs)
Total Foreign Exchange Used and Earned :		
Earned (F.O.B.)	Nil	Nil
Used	24.53	26.20

*Registered Office :*

16A, Brabourne Road  
Kolkata - 700 001

Date : 08 August, 2015

On behalf of the Board of Directors

**For Budge Budge Company Ltd.**

**Ashok Kumar Poddar**

*Whole-time Director*

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 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) Composition of Board

The composition and category of Board of Directors :

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

\* Appointed as a Director of the Company w.e.f. 11th August, 2014.

The appointment of all the Independent Directors of the Company has been confirmed by the shareholders in the previous Annual General Meeting of the Company held on 27th September, 2014 for a term of consecutive five years i.e upto 31st March, 2019 and they shall not be liable to retire by rotation. They meet all the criteria's as provided in Companies Act, 2013 and Clause 49 of the Listing Agreement. The appointment letters issued to every Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

They 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 Clause 49 of the Listing Agreement 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](http://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	1	Nil
Mr. Manish Poddar	4	Present	2	1	Nil
Mrs. Madhushree Poddar#	1	Absent	1	Nil	Nil
Mr. Bijay Krishna Dutta	4	Present	Nil	1	Nil
Mr. Sushil Kumar Chhawchharia	4	Absent	2	2	2
Mr. Deveshwar Kumar Kapila	3	Absent	2	1	Nil

\* 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

# Appointed as a Director of the Company w.e.f 11th August, 2014

### Separate Meeting of the Independent Directors :

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, the Company has facilitated holding of a separate meeting of the Independent Directors, which was held on 6th February, 2015, and inter alia has reviewed : -

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

The Independent Directors also reviewed the quality, content and timeliness of the flow of information

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

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

During the financial year 2014-15, 4 (Four) Board meetings were held on 27th May, 2014, 11th August, 2014, 12th November, 2014 and 6th February, 2015. Two Board meetings on 23rd December, 2014 and 30th March, 2015 were held by circulation. The gap between any two consecutive meetings did not exceed one hundred and twenty days in terms of the Listing Agreement with the Stock Exchange.

### 3. 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, 2015. Duties of the Independent Directors have suitably been incorporated in the code. The Code is displayed on the Company's website: [www.gayatrigroup.co](http://www.gayatrigroup.co)

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.

#### Whistle Blower (Vigil Mechanism) Policy :

As per the requirements of the Companies Act, 2013 and the revised Clause 49 of the Listing agreement, the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/ misconduct.

### 4. Audit Committee :

The Audit Committee was entrusted with review of quarterly and annual financial statements before submission to the Board, 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.

The scope of the Audit Committee, inter alia includes :

- a) Review of the Company's financial reporting process, the financial statements and financial/risk management policies ;
- b) Review of the adequacy of the internal control systems and finance of the internal audit team;

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same ;

d) Recommendation for appointment, remuneration & terms of Appointment of Auditors etc.

During the period 4 (Four) meetings of the Audit Committee were held during the year ended 31st March, 2015, viz. on 27th May, 2014, 11th August, 2014, 12th November, 2014 and 6th February, 2015.

Name of Directors	Category	No. of Meetings Held	Attended
Mr. Sushil Kumar Chhawchharia	Non-Executive Independent - Chairman	4	4
Mr. Bijay Krishna Dutta	Non-Executive Independent	4	4
Mr. Deveshwar Kumar Kapila	Non-Executive Independent	4	3

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.

### Terms of reference :

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. 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

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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- 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
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Examining the financial statement and the auditor's report thereon;

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. To review :-
- o Management discussion and analysis of financial condition and results of operations;
  - o Statement of significant related party transactions, submitted by management;
  - o Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - o Internal audit reports relating to internal control weaknesses, etc.
  - o 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.

### 5. Nomination & Remuneration Committee

During the period 2 (Two) meetings of the Nomination & Remuneration Committee were held on 11th August, 2014 and 20th March, 2015 during the financial year 2014-15. One Committee meeting was held on 20th March, 2015 by circulation.

- a. The composition of Nomination & Remuneration Committee and attendance of its meeting are given below :

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

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

#### b. Remuneration Policy :

The Company follows the policy to fix remuneration of Managing Director & Whole Time Director by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

### Sitting Fees :

Presently, the Non Executive Directors are paid sitting fees for attending the meetings of the Board and its 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 / Wholetime Directors/ Executive Directors and Sitting fees paid /payable to the Non-Executive Directors is given below :

Name of the Directors	Remuneration paid / payable for 2014-15				Service Contract	
	Salary (Rs.)	Benefits (Rs.)	Sitting Fees* (Rs.)	Pay per month (Rs.)	Period	Effective from
Mr. Manish Poddar	21,00,000/-	2,81,965/-	-	1,75,000/-	3 Years	01.04.2013
Mr. Ashok Kumar Poddar	24,00,000/-	39,048/-	-	2,00,000	3 Years	01.04.2012
Mrs. Madhushree Poddar	-	-	10,000/-			
Mr. Sushil Kumar Chhawchharia	-	-	60,000/-	-	-	-
Mr. Bijay Krishna Datta	-	-	60,000/-	-	-	-
Mr. Deveshwar Kumar Kapila	-	-	45,000/-	-	-	-

\*The Directors were paid sitting fees only for attending Board Meeting and Committee Meetings as per the Policy of the Company.

### d. Terms of reference

The terms of reference of the Nomination & Remuneration Committee are as follows :

- 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;
- To formulate a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of Independent Directors and the Board;
- To evaluate every Directors performance;
- To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
- 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;



# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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- 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.

### **e. Policy for evaluation of Independent Directors and the Board :**

The following criteria may assist in determining how effective the performances of the 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.

### **6. Stakeholders Relationship Committee**

Stakeholders Relationship Committee presently comprises of Mr. Sushil Kumar Chhawachharia, Mr. Ashok Kumar Poddar and Mr. Manish 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.

The Committee oversees the disposal of all complains / grievances of shareholders like non-transfer of Shares, non-receipt of Annual Report, non-receipt of declared Dividends, dematerialization & re-materialisation of Shares, etc.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

No request for Share transfer remains pending for registration for more than 15 days. No complaint / query is received by the Company during the financial year and no complaint is pending as on 31st March, 2015.

### Shares held by Non-Executive Directors

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

### 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
<b>Total</b>	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, 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. 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.

Share Transfer Committee Meetings are held as and when required by the Company.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

### 8. General Body Meetings :

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

Nature of the General Meeting	Date & Time	Venue	If Special Resolution(s) passed
Annual General Meeting	27th September, 2014 10.30 AM	16A, Brabourne Road Kolkata-700 001	No
Annual General Meeting	10th August, 2013 10.30 AM	16A, Brabourne Road Kolkata-700 001	Yes
Annual General Meeting	22nd September, 2012 10.30 AM	16A, Brabourne Road Kolkata-700 001	Yes

#### Notes :

- Two Special Resolutions were passed through postal ballot Meeting during the financial year 2014-15 in respect of borrowing powers and to create charges 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
<b>Resolution No. 1 - Creation of Charge/Mortgage on Company's properties</b>							
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%
<b>TOTAL</b>	<b>6382151</b>	<b>4216991</b>	<b>66.0748%</b>	<b>4216989</b>	<b>2</b>	<b>99.9999%</b>	<b>0.0000%</b>
<b>Resolution No. 2 - Authority to Borrow Money</b>							
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%
<b>TOTAL</b>	<b>6382151</b>	<b>4216991</b>	<b>66.0748%</b>	<b>4216989</b>	<b>2</b>	<b>99.9999%</b>	<b>0.0000%</b>

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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- 2) 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. 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 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 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 Exchange, 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. Whistle Blower Policy :**

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

- d. 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.

- e. Subsidiary Company :**

The Company does not have any material non-listed Indian Subsidiary as defined in Clause 49 of the Listing Agreement.

- f. 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.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

### g. CEO / CFO Certification :

The CEO / CFO certification as required under Clause 49 is annexed hereto which forms part of this report.

### h. Management Discussion and Analysis Report :

The Management Discussion and Analysis Report as required under Clause 49 is annexed hereto which forms part of this report.

### 10. Details of Directors seeking appointment / re-appointment

The Details of Directors seeking appointment / re-appointment as required under the clause 49(VIII)(E)(1) of the Listing Agreement with the Stock Exchanges is given in annexure to the notice which forms part of this Report. The disclosure of relationships between directors inter se as required as per Clause 49(VIII)(E) is as follows :

#### Relationship between the Directors inter se :

Name of Directors	Name of Other Director	Name of 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

### 11. Means of Communication :

The un-audited / audited quarterly financial results of the Company are approved by the Board within the prescribed time and are furnished to the Calcutta Stock Exchange. The results are also published within 48 hours in the Business Standard newspapers in English and Kalantar in Bengali. The financial results are also displayed on the Company's website : [www.gayatrigroup.co](http://www.gayatrigroup.co)

No presentation has been made to Institutional Investors or Analysts.

### 12. General Information for Shareholders :

- a. Annual General Meeting : Date : 26th September, 2015  
(Date, Time & Venue) Time : 10.30 A.M  
Venue : 16A, Brabourne Road, 9th Floor,  
Kolkata - 700001

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

- b. Dividend payment : The Board have not recommended any Dividend on Equity Shares for the financial year ended on 31st March, 2015
- c. Date of Book closure : 21.9.2015 to 26.09.2015 (both days inclusive)
- d. Financial year : April to March
- 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 Bombay Stock Exchange Ltd. (BSE) 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 Shares is given hereunder :

Month	Bombay Stock Exchange / Calcutta Stock Exchange		
	Month's High Price	Month's Low Price	Volume
Apr-14 *	NT	NT	NA
May-14 *	NT	NT	NA
Jun-14 *	NT	NT	NA
Jul-14*	NT	NT	NA
Aug-14*	NT	NT	NA
Sep-14*	NT	NT	NA
Oct-14*	NT	NT	NA
Nov-14	NT	NT	NA
Dec-14	NT	NT	NA
Jan-15	NT	NT	NA
Feb-15	NT	NT	NA
Mar-15	NT	NT	NA

\* The Shares of the Company was listed with Bombay Stock Exchange on 19th November, 2014.

N.T denotes 'No Trading' in the Stock Exchange due to non-functional of trading platform of the CSE and no trading took place in BSE.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

Share price performance in comparison to broad based indices BSE Sensex for the financial year 2014-15.

Month	BSE SENSEX (Closing)	Monthly Closing Price at BSE
Apr 2014*	22,417.80	NT
May 2014*	24,217.34	NT
June 2014*	25,413.78	NT
July 2014*	25,894.97	NT
August'14*	26,638.11	NT
September'14*	26,630.51	NT
October'14*	27,865.83	NT
November'14	28,693.99	NT
December'14	27,499.42	NT
January'15	29,182.95	NT
February'15	29,361.50	NT
March'15	27,957.49	NT

\* The Shares of the Company was listed with Bombay Stock Exchange on 19th November, 2014.

- g. Performance in comparison : 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.
- h. Registrar and Transfer Agent : Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane, 2nd Floor, Kolkata-700 001  
Tel : 033 2243 5029 / 2243 5809  
E-mail : mdpl@cal.vsnl.net.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. The Share Transfer, transmission of shares, Issue of duplicate certificate, etc. is endorsed by Directors/Executives/ Officers as may be authorised by the Committee. Grievances received from members and miscellaneous correspondences are processed by the Registrars within 15 days.

# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

### j. Distribution of Shareholding as on 31st March, 2015

No. of Ordinary Share held	No. of shares	%	No. of shareholders/Folios	%
Up to 500	38344	0.6008	545	92.845
501 to 1,000	5867	0.0919	9	1.5332
1,001 to 2,000	4756	0.0745	3	0.5111
2,001 to 3,000	13386	0.2097	5	0.8518
3,001 to 4,000	14107	0.221	4	0.6814
4,001 to 5,000	NIL	Nil	Nil	Nil
5,001 to 10,000	41982	0.6578	5	0.8518
10,001 and above	6263709	98.1442	16	2.7257
<b>Total</b>	<b>6382151</b>	<b>100.00</b>	<b>587</b>	<b>100.00</b>

### k. Shareholding pattern as on 31st March, 2015 :

Category	No. of Shares	%
Promoters	4714804	73.87
Mutual Fund/UTI	Nil	Nil
Banks/Financial Institutions / Insurance		
Companies/Govt. Company	53948	0.85
Private Corporate Bodies	1561744	24.47
NRIs/Foreign Shareholders	2335	0.04
Public/Others	49320	0.77
<b>Total</b>	<b>6382151</b>	<b>100.00</b>

- l. Dematerialisation of Shares : ISIN : INE 948C 01026  
62,06,577 shares of the Company are held in Dematerialized form representing 97.25% of the paid-up share Capital of the Company.
- 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.



# BUDGE BUDGE COMPANY LIMITED

## CORPORATE GOVERNANCE (Contd.)

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- n. Plant Location : 64, Moulana Azad Road, P.O. Budge Budge  
Dist. 24 Pgns (S), Pin - 743 319, West Bengal
- o. Address for correspondence : 16A, Brabourne Road, 9th Floor  
Kolkata - 700 001.
- o. Contact Person : Mr. Danveer Singhi, Company Secretary

### **Mandatory / Non-mandatory provisions of the Corporate Governance**

The Company has complied with all the applicable mandatory requirements of the Clause 49 of the Listing Agreement and has complied with 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 clause 49 of the Listing Agreement and shall consider adopting the same at an appropriate time.

*Registered Office :*  
16A, Brabourne Road  
Kolkata - 700 001  
Date : 30th July, 2015

**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**

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### **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 2014-15, as stipulated in Clause 49 of the Listing Agreement entered into by the said Company with 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 complied with the condition of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

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 : 08.08.2015

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

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### ANNEXURE - D TO THE DIRECTORS' REPORT

#### Certification by 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(IX) of the Listing Agreement, we, Manish Poddar, Managing Director - CEO and Praveen Kumar Ghorawat, CFO, Certify that :

1. We have reviewed financial statements and the cash flow statements for the financial year 2014-15 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, belief and information, no transactions entered into by the Company during the financial year 2014-15 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls 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 and 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) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.
5. We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board Members and senior management personnel have affirmed compliance of Code of Conduct for the year 2014-15.

**For Budge Budge Company Ltd.**

Place : Kolkata  
Date : 08.08.2015

**Manish Poddar**  
*Managing Director*  
DIN : 00283036

**Praveen Kumar Ghorawat**  
*Chief Financial Officer*

# BUDGE BUDGE COMPANY LIMITED

## ANNEXURE - E TO THE DIRECTORS' REPORT

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### ANNEXURE - E 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 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 had in the last year 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 40% in spite of the request from Industry for 100% reservation. Apart from this the demand for the Jute Bags for packing food grain was much lower during the whole financial year Raw Jute crop was also very poor in the last financial year due to which the prices had gone up considerably.

#### 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 Geotextiles 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.

#### 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.

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

- Within India - Rs. 14779.16 lakh (previous year Rs. 16297.47 lakh)
- Outside India - Rs. NIL (previous year Rs. NIL lakh)

#### d) Outlook :

Demand for Jute Goods during the year 2015-16 is expected to be very high as Govt. Agencies have

# BUDGE BUDGE COMPANY LIMITED

## ANNEXURE - E TO THE DIRECTORS' REPORT (Contd.)

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almost nil Inventory for procurement of Food grains. 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 2015-16. Price of Jute has already gone up to Rs.4400/- quintal for TD-4 grade and it is expected that the same is going to remain high due to poor availability. The next crop is also expected to be lower due to poor climatic conditions and poor sowing. Apart from Raw Jute prices, the cost of production also 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. 14779.16 lac as compared to Rs. 16297.47 lac during previous year. Operating loss for the year was Rs. 48.23 lac as compared to profit of Rs.371.11 lac in the previous year. The company has invested Rs.615.90 lac in Fixed Assets in expansion of Yarn capacity and modernising the existing machineries to improve quality and reduction in the cost of production.

**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.

**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 - F TO THE DIRECTORS' REPORT

### ANNEXURE - F 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 2014-15, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 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 2014-15 (Rs. in lacs)	% increase in Remuneration in the financial year 2014-15	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	24.39	NIL	39.33	Profit Before Tax decreased by 113% and Profit After Tax decreased by 124.91% in the financial year 2014-15.
2	Shri Manish Poddar Managing Director	23.81	NIL	38.40	
3	Shri Praveen Kumar Ghorawat Chief Financial Officer	3.40	N.A	5.48	Profit Before Tax decreased by 113% and Profit After Tax decreased by 24.91% in the financial year 2014-15.
4	Shri Danveer Singhi Company Secretary & Compliance Officer	9.88	8.33	15.94	

**Note :** No other Director other than the Managing Director and Executive Chairman received any remuneration other than sitting fees during the financial year 2014-15.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 0.62 lakh.
- iii) In the financial year, there was an increase of 4.55% in the median remuneration of employees;
- iv) There were 4135 permanent employees on the rolls of Company as on March 31, 2015.
- v) Relationship between average increase in remuneration and company performance: - The Profit Before Tax for the financial year ended March 31, 2015 decreased by 113% whereas the increase in median remuneration was 4.55%. The average increase in median remuneration was in line with the performance of the Company and partly on individual employee's performance.

# BUDGE BUDGE COMPANY LIMITED

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

- vi) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 7.26% from Rs. 57.32 lakh in 2013-14 to Rs. 61.48 lakh in 2014-15 whereas the Profit Before Tax decreased by 113% to Rs. ( 48.23) lakh in 2014-15 (Rs.371.11 lakh in 2013-14).
- 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 31.03.2014	As on 31.03.2015		As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015
CSE	1.60*	1.60*	NIL	0.389	(1.55)	1.02	1.02
BSE	-	-	-	-	-	-	-

\*last traded price

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 2014-15 was 1.82% whereas the increase in the managerial remuneration for the same financial year was 7.26%.
- 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, 2015 as per the Remuneration Policy of the Company.

# BUDGE BUDGE COMPANY LIMITED

## ANNEXURE - G TO THE DIRECTORS' REPORT

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### ANNEXURE - G TO THE DIRECTORS' REPORT

#### SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

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 Budge Budge Company Limited (hereinafter called 'the Company'). 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 the 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, 2015, 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 Budge Budge Company Ltd.('the Company') for the financial year ended on 31st March, 2015, 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; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (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; **(Not applicable to the Company during the Audit Period);**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**



## BUDGE BUDGE COMPANY LIMITED

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

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- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
  - (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 **(Not applicable to the Company during the Audit Period)**; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; **(Not applicable to the Company during the Audit Period)**;
- (vi) I have carried out requisite verification and also relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other applicable Acts, laws and Regulations to the Company, Internal Audit Report, Statutory Auditors Report, etc. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period)**.
  - (ii) The Listing Agreements entered into by the Company with Calcutta & Bombay Stock Exchange(s) ;
- During the period under review the Company has generally 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, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance 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 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 got listed with Bombay Stock Exchange (BSE) on 19th November, 2014.

Place : Kolkata

Date : 06.07.2015

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

**BUDGE BUDGE COMPANY LIMITED**  
**ANNEXURE - G TO THE DIRECTORS' REPORT (Contd.)**

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**ANNEXURE – I**

List of Other applicable laws to the Company :

1. Factories Act, 1948
2. Payment of Wages Act, 1936
3. Minimum Wages Act, 1940
4. ESI Act, 1948
5. Gratuity Act, 1972
6. Bonus Act, 1965
7. W.B. Profession Tax Act, 1979
8. Income Tax Act, 1961
9. Central Excise Act, 1944
10. The West Bengal Value Added Tax, 2003
11. Service Tax, 1994
12. Industrial Disputes Act, 1947
13. Child Labour (Prohibition and Regulation) Act, 1986
14. Workmen Compensation Act, 1923
15. Contract Labour (Regulation & Abolition) Act, 1970
16. Apprentices Act, 1961
17. Interstate Migrant Workmen ( Regulation of Employment & Condition of Services) Act, 1979
18. Air (Prevention & Control of Pollution) Act, 1981
19. Water (Prevention & Control of Pollution) Act, 1974
20. Industrial Employment (Standing Order) Act, 1946
21. Employees Provident Fund & Misc. Provisions Act, 1952
22. West Bengal Shop & Establishment Act, 1964
23. West Bengal Fire & Emergency Services Act, 1950
24. The Central Excise Act & Rules made thereunder ;
25. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 ;
26. Equal Remuneration Act, 1976 ;
27. Personal Injuries Compensation Act, 1963 ;
28. Indian Fatal Accidents Act, 1855 ;
29. Hazardous Wastes ( Management and Handling) Rules, 1989
30. Environment Protection Act, 1986 ;
31. Employer's Liability Act, 1938 ;
32. Kolkata Municipal Corporation Act, 1980 ;
33. Negotiable Instruments Act, 1881 ;
34. Information Technology Act, 2000.

# **BUDGE BUDGE COMPANY LIMITED**

## **ANNEXURE - H TO THE DIRECTORS' REPORT**

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### **ANNEXURE - H TO THE DIRECTORS' REPORT**

#### **Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(II)(E) of Listing Agreement**

I, Manish Poddar, Managing Director of Budge Budge Co. Ltd. declare that as of 31st March, 2015, 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 : 08 August, 2015

**Manish Poddar**  
*Managing Director*  
DIN : 00283036

# BUDGE BUDGE COMPANY LIMITED

## ANNEXURE - I TO THE DIRECTORS' REPORT

### MGT - 9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015.

[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.	<b>CIN</b>	L26941WB1973PLC028796
ii	<b>Registration Date</b>	10.05.1973
iii	<b>Name of the Company</b>	Budge Budge Company Limited
iv	<b>Category / Sub-Category of the Company</b>	Public Company limited by Shares
v	<b>Address of the Registered office of the company and contact details</b>	16A, Brabourne Road, Kolkata - 700 001 E-mail ID : bbcl@gayatrigroup.co Phone No. 033-40108000
vi	<b>Whether listed company - Yes/No</b>	Yes
vii	<b>Name, Address and Contact details of Registrar and transfer Agent, if any</b>	Maheshwari Datamatics Pvt. Ltd. Add : 6, Mangoe Lane, Kolkata - 700 001 E-mail ID : mdpldc@yahoo.com Phone No. : 033-22435029

#### 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 - I 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.	A M Udyog Ltd. 16A, Brabourne Road, Kolkata - 700001	U17122WB1977PLC030853	Associate	41.74	
8.	Vasavi Infrastructure Projects Ltd. 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
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	
c) State Govt (s)	0	0	0	0	0	0	0	0	
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	
f) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (1):-</b>	<b>4712524</b>	<b>2280</b>	<b>4714804</b>	<b>73.8748</b>	<b>4712524</b>	<b>2280</b>	<b>4714804</b>	<b>73.8748</b>	<b>Nil</b>
<b>2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	
b) Other – Individuals	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Banks / FI	0	0	0	0	0	0	0	0	
e) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# BUDGE BUDGE COMPANY LIMITED

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

Total shareholding of Promoter (A) = (A)(1) + (A)(2)	4712524	2280	4714804	73.8748	4712524	2280	4714804	73.8748	Nil
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	
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	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	17600	0	17600	0.2758	17600	0	17600	0.2758	Nil
g) FIs	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
<b>Sub-total (B)(1):-</b>	<b>31740</b>	<b>22208</b>	<b>53948</b>	<b>0.8453</b>	<b>31740</b>	<b>22208</b>	<b>53948</b>	<b>0.8453</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
(i) Indian	1452872	108532	1561404	24.4652	1453212	108532	1561744	24.4705	0.02
(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	8727	40933	49660	0.7781	9101	40219	49320	0.7728	0.68
(ii) Individual share-holders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	
c) Others (Specify)	0	0	0	0	0	0	0	0	
<b>Sub-total (B)(2):-</b>	<b>1461599</b>	<b>151800</b>	<b>1613399</b>	<b>25.2799</b>	<b>1462313</b>	<b>151086</b>	<b>1613399</b>	<b>25.2799</b>	<b>Nil</b>

## BUDGE BUDGE COMPANY LIMITED

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

<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	1493339	174008	1667347	26.1252	1494053	173294	1667347	26.1252	Nil
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	Nil
<b>Grand Total (A+B+C)</b>	6205863	176288	6382151	100.00	6206577	175574	6382151	100.00	Nil

#### B) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	
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	Bimal Kumar Poddar	11777	0.1845	Nil	11777	0.1845	Nil	
7	Vinod Kumar Poddar	2924	0.0458	Nil	2924	0.0458	Nil	
8	Arun Kumar Poddar	2707	0.0424	Nil	2707	0.0424	Nil	
9	Saroj Kumar Poddar	2280	0.0357	Nil	2280	0.0357	Nil	
10	Ashok Kumar Poddar	820	0.0128	Nil	820	0.0128	Nil	
11	A.M. Udyog Limited	376660	5.9018	Nil	376660	5.9018	Nil	
12	Poddar Udyog Ltd	57441	0.9000	Nil	57441	0.9000	Nil	
13	Adventz Securities Enterprises	44615	0.6991	Nil	44615	0.6991	Nil	
	<b>Total</b>	<b>4714804</b>	<b>73.8748</b>	<b>Nil</b>	<b>4714804</b>	<b>73.8748</b>	<b>Nil</b>	

## BUDGE BUDGE COMPANY LIMITED

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

iii) Change in Promoters' Shareholding : NIL

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. Dhandhanian At the Beginning of the Year At the end of the year	10000	0.1567	10000	0.1567
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



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

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) At the Beginning of the Year At the end of the year	1436100	22.5018	1436100	22.5018
2	Manish Poddar At the Beginning of the Year At the end of the year	1004780	15.7436	1004780	15.7436
3	Ashok Kumar Poddar At the Beginning of the Year At the end of the year	820	0.0128	820	0.0128
4	Madhushree Poddar At the Beginning of the Year At the end of the year	740600	11.6042	740600	11.6042

\* Directors and KMP holding shares have been considered only.

V. INDEBTEDNESS

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

Names of the Directors and KMP*	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtness
<b>Indebtedness at the beginning of the financial year 2014</b>				
i) Principal Amount	1751.82	382.57	NIL	2134.39
ii) Interest due but not paid	6.11	394.73		400.84
iii) Interest accrued but not due	NIL	0.76	NIL	0.76
<b>Total (i + ii + iii)</b>	<b>1757.93</b>	<b>778.06</b>	<b>NIL</b>	<b>2535.99</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition		0.25		0.25
• Reduction	477.71	0.25		(477.71)
<b>Net Change</b>	<b>477.71</b>	<b>0.25</b>	<b>NIL</b>	<b>(477.46)</b>

# BUDGE BUDGE COMPANY LIMITED

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

Indebtedness at the end of the financial year 2015				
i) Principal Amount	1273.60	357.57		1631.17
ii) Interest due but not paid	6.62	419.98		426.60
iii) Interest accrued but not due		0.76		0.76
<b>Total (i+ii+iii)</b>	<b>1280.22</b>	<b>778.31</b>	<b>NIL</b>	<b>2058.53</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Ashok Kumar Poddar (Executive Chairman)	Manish Poddar (Managing Director)	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2400	21.00	45.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.39	2.81	3.20
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify.....			
5	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	<b>24.39</b>	<b>23.81</b>	<b>48.20</b>
	<b>Ceiling as per the Act</b>	Due to no profit ceiling applies as per Section II of Part II of Schedule V.		

#### B. REMUNERATION TO OTHER DIRECTORS :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Bijay Krishna Datta	Sushil Kumar Chhawcharia	Deveshwer Kumar Kapila	Madhushree Poddar	
1	<b>Independent Directors</b>					
	• Fee for attending board / committee	0.60	0.60	0.45	—	1.65
	• Commission					

## BUDGE BUDGE COMPANY LIMITED

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

	• Others, please specify					
	<b>Total (1)</b>	<b>0.60</b>	<b>0.60</b>	<b>0.45</b>	<b>—</b>	<b>1.65</b>
<b>2</b>	<b>Other Non-Executive Directors</b> • Fee for attending board / committee • Commission • Others, please specify	—	—	—	0.10	0.10
	<b>Total (2)</b>	—	—	—	—	—
	<b>Total (B) = (1+2)</b>	<b>0.60</b>	<b>0.60</b>	<b>0.45</b>	<b>0.10</b>	<b>1.75</b>
	Total Managerial Remuneration					
	Overall Ceiling as per the Act				100,000 per meeting	

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Danveer Singhi (Company Secretary)	Praveen Kumar Ghorawat (CFO)	
1	<b>Gross salary</b> (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	7.80 2.08 NIL	2.40 1.00 NIL	10.20 3.08 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
	<b>Total</b>	<b>9.88</b>	<b>3.40</b>	<b>13.28</b>

# BUDGE BUDGE COMPANY LIMITED

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

### 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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICER IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

# BUDGE BUDGE COMPANY LIMITED

## ANNEXURE - J TO THE DIRECTORS' REPORT

### ANNEXURE - J 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/ associate companies/ joint ventures

##### Part "A" : Subsidiaries

(Amounts in Rs. in lakh)

1.	Sl. No.	1
2.	Name of the subsidiary	Vasavi Infrastructure Projects Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
5.	Share capital	247.00
6.	Reserves & surplus	131.96
7.	Total assets	1968.10
8.	Total Liabilities	1968.1
9.	Investments	318.47
10.	Turnover	Nil
11.	Profit before taxation	7.60
12.	Provision for taxation	1.11
13.	Proposed Dividend	Nil
14.	% of shareholding	96.04%

##### Other information :

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

**BUDGE BUDGE COMPANY LIMITED**  
**ANNEXURE - J 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/Joint Ventures	A. M. Udyog Ltd.
1. Latest audited Balance Sheet Date	Not yet finalised
2. Shares of Associate/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
Amount of Investment in Associates/ Joint Venture	Rs. 6558925/-
Extend of Holding %	41.74% - Equity
3. Description of how there is significant influence	Holding more than 20% of total share capital pursuant to Section 2(6) of Companies Act, 2013
4. Reason why the associate/joint venture is not consolidated	Due to non finalization of accounts
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Could not ascertain for not availability of Accounts
6. Profit / Loss for the year	Not Available
i. Considered in Consolidation	N.A.
i. Not Considered in Consolidation	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

Date : 08 August, 2015

**Ashok Kumar Poddar**  
*Whole-time Director*  
DIN : 00282924

**Manish Poddar**  
*Managing Director*  
DIN : 00283036

**Praveen Kumar Ghorawat**  
*Chief Financial Officer*

# **BUDGE BUDGE COMPANY LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

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### **TO THE MEMBERS OF BUDGE BUDGE COMPANY LIMITED**

#### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of BUDGE BUDGE COMPANY LIMITED, which comprise the Balance Sheet as at 31st March, 2015, 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 of these 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, but not for the purpose for expressing an opinion on whether the Company has in place 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 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 financial statements.

# BUDGE BUDGE COMPANY LIMITED

## AUDITORS' REPORT (Contd.)

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### 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, 2015 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 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, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 27 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, 2015

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



# **BUDGE BUDGE COMPANY LIMITED**

## **AUDITORS' REPORT (Contd.)**

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### **ANNEXURE 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.
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) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventory. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of examination of books of account, We are of the opinion that the Company has granted unsecured loans to companies listed in the register maintained under section 189 of the Act. The amount of outstanding loans as on 31st March, 2015 is Rs. 16049278/-. 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, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories, fixed assets and with regards to sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
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 Section 73 to Section 76 or any other relevant provisions of the Act and rules framed there under.
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.)

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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 generally 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 March, 2015 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 given in Annexure-1.
- c) According to the information and explanations given to us and on the basis of the documents no amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder for the year ending 31st March, 2015.
8. The Company does not have any accumulated losses as at 31st March, 2015 and has incurred cash loss during the financial year ended 31st March, 2015.
9. 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 dues to financial institutions and banks.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from bank or financial institutions;
11. Based on our audit procedures and on the information given by the management, we report that the company has applied the money received as term loans during the year for the purposes for which they were obtained.
12. 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.

P-21/22, Radha Bazar Street  
Kolkata - 700 001  
Dated the 23rd day of May, 2015

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

# BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I

Disputed Statutory Dues as on 31-03-2015

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 B.F.(S.T.) Act '41	Assessment Dues DO	1995-96 1994-95	Sr. Jt. Commissioner W.B.C.T. A & R Board	751499 586397	1337896
C.S.T. Act '56	DO	1982-83, 1995-96 1997-98, 2001-02 1995-96 to 1997-98, 2001-02 2003-04 to 2004-05 2002-03	Sr. Jt. Commissioner  W.B.C.T. A & R Board  Addl. Commissioner High Court, Kolkata	10361093  26840706  2191838	39393637
W.B.S.T. Act '94	DO	1996-97, 1999-00 to 2001-02 2003-04 to 2004-05 1995-96 to 1997-98 1998-99 2002-03, 2003-04	W.B.C.T. A & R Board  Sr. Jt. Commissioner W.B.C.T. A & R Board Addl. Commissioner High Court, Kolkata	14908230  9652034 117722 11128938	35806924
W.B. VAT 2003	DO DO DO DO DO DO	2005-06 2007-08 2006-07 2008-09 2010-11 2011-12	Sr. Jt. Commissioner Sr. Jt. Commissioner Addl. Commissioner Addl. Commissioner Addl. Commissioner Addl. Commissioner	16492347 1258726 724419 9149830 1302202 9178235	38105759
CST ACT 1956	DO DO DO DO DO	2007-08 2008-09 2009-10 2010-11 2011-12	Sr. Jt. Commissioner Addl. Commissioner Addl. Commissioner Addl. Commissioner Addl. Commissioner	2228733 19690309 14319727 16893898 10060046	63192713
					<b>177836929</b>

# BUDGE BUDGE COMPANY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2015

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31st March, 2015</u>	<u>(Amount in ) As at 31st March, 2014</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	6,38,21,510	6,38,21,510
Reserves and Surplus	2	41,48,67,241	44,79,21,941
		<b>47,86,88,751</b>	<b>51,17,43,451</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	3,12,61,163	3,48,36,250
Deferred Tax Liabilities	4	1,59,87,354	1,46,12,640
		<b>4,72,48,517</b>	<b>4,94,48,890</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	5	9,98,12,439	14,65,07,719
Trade Payables	6	35,26,35,624	36,57,82,628
Other Current Liabilities	7	13,82,41,951	14,13,17,823
Short-Term Provisions	8	3,61,35,655	3,61,07,441
		<b>62,68,25,669</b>	<b>68,97,15,611</b>
		<b>1,15,27,62,937</b>	<b>1,25,09,07,952</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets			
Tangible Assets	₹ 9	66,37,63,507	64,94,83,010
Intangible Assets	10	3,43,680	5,15,520
Capital Work in Progress		—	2,07,82,926
		<b>66,41,07,187</b>	<b>67,07,81,456</b>
Non-Current Investments	11	4,12,99,912	1,12,99,912
Long Term Loans and Advances	12	79,17,225	75,16,094
		<b>71,33,24,324</b>	<b>68,95,97,462</b>
<b>Current Assets</b>			
Inventories	13	16,46,67,596	28,21,68,443
Trade Receivables	14	6,94,59,256	7,34,18,601
Cash and Bank Balances	15	3,53,51,365	2,14,90,904
Short Term Loans & Advances	16	15,95,90,276	17,22,89,224
Other Current Assets	17	1,03,70,120	1,19,43,318
		<b>43,94,38,613</b>	<b>56,13,10,490</b>
		<b>1,15,27,62,937</b>	<b>1,25,09,07,952</b>

The accompanying Notes from No. 1 to 46 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, 2015

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, 2015

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2015</u>	<u>(Amount in ) For the year ended 31st March, 2014</u>
<b>REVENUE</b>			
Revenue from Operations (Gross)	18	1,49,28,49,436	1,64,76,82,219
Less : Jute Manufacturing Cess		1,49,33,491	1,79,34,853
Revenue from Operations (Net)		1,47,79,15,945	1,62,97,47,366
Other Income	19	2,61,29,998	1,63,15,061
<b>TOTAL REVENUE</b>		<b>1,50,40,45,943</b>	<b>1,64,60,62,427</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	82,29,20,513	97,35,55,616
Purchase of Stock-in-Trade		—	77,20,088
Changes in Inventories of Finished Goods, Work in Progress and Stock in Shares	21	5,81,90,738	(5,03,02,007)
Employee Benefits Expenses	22	32,18,62,722	33,58,38,178
Finance Costs	23	3,07,33,543	2,18,02,502
Depreciation & Amortisation	24	1,44,47,124	1,86,32,712
Other Expenses	25	26,07,13,859	30,17,04,579
<b>TOTAL EXPENSES</b>	<b>₹</b>	<b>1,50,88,68,499</b>	<b>1,60,89,51,668</b>
<b>Profit / (Loss) Before Tax</b>		<b>(48,22,556)</b>	<b>3,71,10,759</b>
<b>Tax Expenses</b>			
Current Tax		—	75,71,835
Less : MAT Credit Entitlement / (Set off)		—	(3,11,210)
		—	78,83,045
Wealth Tax		28,214	25,341
Deferred Tax		16,96,214	29,20,103
		17,24,428	1,08,28,489
<b>Profit / (Loss) After Tax</b>		<b>(65,46,984)</b>	<b>2,62,82,270</b>
<b>Earnings Per Equity Share</b>			
<b>(Nominal Value of Rs. 10 each)</b>	<b>38</b>		
Basic & Diluted		<b>(1.03)</b>	<b>4.11</b>
The accompanying Notes from No. 1 to 46 are an integral part of the financial statements.			
As per our report attached For JAIN & CO.			
		<i>Chartered Accountants</i> Registration No. 302023E M. K. JAIN Partner 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>
P-21/22, Radha Bazar Street Kolkata - 700 001 Dated the 23rd day of May, 2015			

**BUDGE BUDGE COMPANY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
1.	<b>(A) SHARE CAPITAL</b>		
	<b>Details of Authorised, Issued, Subscribed and Fully Paid Up Shares</b>		
	<b>Authorised Share Capital :</b>		
	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) Ordinary Equity Shares of Rs. 10/- each	6,40,00,000	6,40,00,000
		<b><u>6,65,00,000</u></b>	<b><u>6,65,00,000</u></b>
	<b>Issued, Subscribed &amp; Paid-up Share Capital :</b>		
	63,82,151 (Previous Year 63,82,151) Ordinary Equity Shares of Rs. 10/- each	6,38,21,510	6,38,21,510
		<b><u>6,38,21,510</u></b>	<b><u>6,38,21,510</u></b>

**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.)**

<u>Note No.</u>	<u>Particulars</u>	<u>As at 31st March, 2015</u>	<u>(Amount in )</u> <u>As at 31st March, 2014</u>
<b>(B) Reconciliation of Paid-up Share Capital</b>			
<b>Ordinary Equity Shares of Rs. 10 each</b>			
	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	<u>63,82,151</u>	<u>63,82,151</u>

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

**Equity Shares of Rs. 10 each**

No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
	₹		

<u>Particulars</u>	<u>As at 31st March, 2015</u>	<u>(Amount in )</u> <u>As at 31st March, 2014</u>
<b>Allotment of shares as fully paid up pursuant to contracts without payment being received in cash</b>		
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

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ₹) As at 31st March, 2014
<b>2</b>	<b>RESERVE &amp; SURPLUS</b>		
	<b>Capital Redemption Reserve</b>		
	Opening Balance	15,91,890	15,91,890
		<b>15,91,890</b>	<b>15,91,890</b>
	<b>General Reserve</b>		
	Opening Balance	38,48,83,086	37,06,87,120
	Add : Transferred from Statement of Profit & Loss	—	4,00,00,000
		<b>38,48,83,086</b>	<b>41,06,87,120</b>
	Less : Adjustment in value of fixed assets on implementation of new depreciation method (Net of deferred tax assets of Rs. 3,21,500/- (Refer Note No. 39)	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
		<b>2,65,07,716</b>	<b>2,58,04,034</b>
		<b>35,83,75,370</b>	<b>38,48,83,086</b>
	<b>Statement of Profit and Loss</b>		
	Opening Balance	6,14,46,965	7,51,64,695
	Add : Profit for the year	(65,46,984)	2,62,82,270
		<b>5,48,99,981</b>	<b>10,14,46,965</b>
	Less : Transferred to General Reserve	—	4,00,00,000
		—	<b>4,00,00,000</b>
		<b>5,48,99,981</b>	<b>6,14,46,965</b>
		<b>41,48,67,241</b>	<b>44,79,21,941</b>



# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ₹) As at 31st March, 2014
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	<b>TERM LOANS FROM BANK</b>		
	<b>Secured</b>		
	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)	2,98,86,544	3,27,03,750
	From HDFC Bank (Secured by hypothecation of Motor Vehicles)	4,78,458	4,71,352
		<b>3,03,65,002</b>	<b>3,31,75,102</b>

₹

### 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	03.05.12	900000	36 monthly instalments of Rs. 29500/- starting from May, 2012 and ending on April, 2015
From HDFC Bank - Car Loan	09.11.10	3160000	45 monthly instalments of Rs. 65065/- starting from November, 2010 and ending on July, 2014.

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
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Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
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

### TERM LOANS FROM OTHERS

#### Secured

From BMW India Financial Services P. Ltd.	8,96,161	12,95,106
From Kotak Mahindra Prime Ltd.	—	3,66,042
(Secured by hypothecation of Motor Cars)		
	<b>8,96,161</b>	<b>16,61,148</b>

### 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
Kotak Mahindra Prime Ltd - Car Loan	14.03.13	1000000	36 monthly instalments of Rs. 32150/- starting from April, 2013 and ending on March, 2016

<b>3,12,61,163</b>	<b>3,48,36,250</b>
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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	1,59,87,354	1,46,12,640
(Deferred Tax Liabilities have been calculated in accordance with AS-22 as notified by the Companies (Accounts) Rules, 2014)		
	<b>1,59,87,354</b>	<b>1,46,12,640</b>

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>5</b>	<b>SHORT-TERM BORROWINGS</b>		
	<b>Secured</b>		
	<b>From Banks</b>		
	<b>Cash Credit from Allahabad Bank</b>	7,66,74,248	12,56,95,408
	(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.)		
	<b>Term Loan from Allahabad Bank</b>	1,85,76,000	1,33,76,000
	(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.)		
	<b>From HDFC Bank</b>	7,47,204	10,35,549
	(Secured by hypothecation of Motor Cars)		
		<u>9,59,97,452</u>	<u>14,01,06,957</u>
	<b>TERMS OF REPAYMENT</b> ₹		
	(Refer Note No. 3)		
	<b>From Others</b>		
	<b>Secured</b>		
	From BMW India Financial Services P. Ltd.	3,98,945	3,58,135
	From Kotak Mahindra Prime Ltd.	3,66,042	3,31,919
	From Reliance Capital Ltd.	—	1,60,708
	(Secured by hypothecation of Motor Cars)		
		<u>7,64,987</u>	<u>8,50,762</u>
	<b>TERMS OF REPAYMENT</b>		
	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
	Reliance Capital Ltd. - Car Loan	16.12.11	567750
			36 monthly instalments of Rs.18,800/- each starting from February, 2012 and ending on January, 2015
	<b>Unsecured</b>		
	From Others		55,50,000
		<u>30,50,000</u>	<u>14,65,07,719</u>

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ₹) As at 31st March, 2014
<b>6</b>	<b>TRADE PAYABLES</b>		
	Trade Payables (Refer Note No. 34)	35,26,35,624	36,57,82,628
		<b><u>35,26,35,624</u></b>	<b><u>36,57,82,628</u></b>
<b>7</b>	<b>OTHER CURRENT LIABILITIES</b>		
	<b>Loans from Government of West Bengal</b>		
	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
		<u>3,27,07,124</u>	<u>3,27,07,124</u>
	Other Payables		
	TDS Payable	5,00,839	5,04,131
	West Bengal Professional Tax Payable	—	82,668
	Brokerage & Commission Payable ₹	78,04,893	77,05,509
	Electricity Charges Payable	26,88,831	30,12,346
	Salary & Wages Payable	2,17,93,914	2,53,94,944
	Other Payables	2,49,78,772	2,48,16,297
		<u>5,77,67,249</u>	<u>6,15,15,895</u>
	Bank Overdraft (Due to Reconciliation)	7,05,298	—
	Advances from Customers	24,48,817	50,06,247
	Other Advances Received	22,07,998	22,07,998
	Interest Accrued & Due on Unsecured Loans	4,19,97,794	3,94,72,888
	Interest Accrued But Not Due on Unsecured Loans	76,133	76,133
	Liability for Preference Share Redemption	3,31,538	3,31,538
		<u>4,77,67,578</u>	<u>4,70,94,804</u>
		<b><u>13,82,41,951</u></b>	<b><u>14,13,17,823</u></b>
<b>8</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Income Tax	3,60,61,904	3,60,61,904
	Provision for Wealth Tax	73,751	45,537
		<u>3,61,35,655</u>	<u>3,61,07,441</u>

# BUDGE BUDGE COMPANY LIMITED

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

NOTE NO. 9

### TANGIBLE FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-03-14	Additions	Deductions/ Adjustments	As At 31-03-14	Adjusted with General Reserve (Refer Note 39)	Provided for the year	Deductions/ Adjustments	As At 31-03-14	As At 31-03-15	As At 31-03-14
Land	155787500	—	—	—	—	—	—	—	155787500	155787500
Buildings	255167655	27252590	2188458	110287508	(15288653)	9157089	—	120973450	159258337	144880147
Plant & Machinery	676246843	32727376	4151272	349632817	762162	27371283	635618	375606320	329216627	326614026
Furniture & Fixtures	14112396	213532	—	2978717	3977	1116392	—	4091132	10234796	11133679
Office Equipments	1003051	123270	—	514197	(173349)	201325	—	888871	237450	488854
Motor Car	12744832	1250517	752503	3191941	12189	1606254	251332	4534674	8708172	9552891
Data Processing Machines	3400883	22995	—	2374970	(101308)	626975	—	3103253	320625	1025913
<b>Total</b>	<b>1118463160</b>	<b>61590280</b>	<b>7092233</b>	<b>468980150</b>	<b>(1025182)</b>	<b>40079318</b>	<b>886950</b>	<b>509197700</b>	<b>663763507</b>	<b>649483010</b>
Previous Year	1035680936	93943904	11161680	427783934	—	44178986	2982770	468980150	649483010	—

NOTE NO. 10

### INTANGIBLE FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-03-14	Additions	Deductions/ Adjustments	As At 31-03-14	Adjusted with General Reserve (Refer Note 39)	Provided for the year	Deductions/ Adjustments	As At 31-03-14	As At 31-03-15	As At 31-03-14
Computer Software	1288800	—	—	773280	—	171840	—	945120	343680	515520
<b>Total</b>	<b>1288800</b>	<b>—</b>	<b>—</b>	<b>773280</b>	<b>—</b>	<b>171840</b>	<b>—</b>	<b>945120</b>	<b>343680</b>	<b>515520</b>
Previous Year	1288800	—	—	1288800	—	257760	—	773280	515520	—

( 75 )

**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 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
<b>Non - Trade Investment</b>					
<b>Investment in Equity Instruments (At Cost)</b>					
<b>Long term</b>					
<b>In Fully paid up Shares of Joint Stock Companies</b>					
(Long Term Unless Otherwise Stated)					
<b>Other than Trade</b>					
<b>A. QUOTED</b>					
Whirlpool of India Ltd.	10	300	300	7050	7050
<b>B. UNQUOTED</b>					
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 <sup>₹</sup>	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
<b>C. Investment in Subsidiary Company</b>					
Vasavi Infrastructure Projects Limited	10	2372300	372300	33423000	3423000
<b>D. In Government Securities</b>					
7 years National Saving Certificate lodged as Security with Central Excise Authority				7937	7937
Aggregate Value of Unquoted Investments.				<u>41292862</u>	<u>11292862</u>
Aggregate Value of Investments				<u>41299912</u>	<u>11299912</u>
<b>Notes :</b>					
<b>(1) Quoted Investments</b>					
Aggregate amount				7050	7050
Market value				220605	69330
<b>(2) Unquoted Investments</b>					
Aggregate amount				41292862	11292862

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>12</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Unsecured, Considered Good unless otherwise stated		
	Security Deposits	79,17,225	75,16,094
		<u>79,17,225</u>	<u>75,16,094</u>
<b>13</b>	<b>INVENTORIES</b>		
	(As per Inventories Taken, Valued and Certified by the management)		
	Raw Materials	4,18,60,935	9,85,98,000
	Work in Progress	2,65,25,073	2,60,36,645
	Finished Goods	6,73,16,596	12,14,17,739
	Stores and Spare Parts	2,19,19,941	2,44,92,985
	<b>Stock in Trade</b>		
	Stock of Shares (Refer Note No. 30) ₹	70,45,051	1,16,23,074
		<u>16,46,67,596</u>	<u>28,21,68,443</u>
<b>14</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured, Considered Good unless otherwise stated		
	Outstanding For More Than Six Months	85,41,251	34,83,199
	Others	6,09,18,005	6,99,35,402
		<u>6,94,59,256</u>	<u>7,34,18,601</u>
<b>15</b>	<b>CASH AND BANK BALANCES</b>		
	<b>Cash &amp; Cash Equivalents</b>		
	Cash in hand	32,27,022	15,07,911
	Cheques in Hand	—	73,45,200
	<b>Balance with Banks</b>		
	In Current Accounts	3,21,24,343	1,26,37,793
		<u>3,53,51,365</u>	<u>2,14,90,904</u>

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

<u>Note No.</u>	<u>Particulars</u>	<u>As at 31st March, 2015</u>	<u>(Amount in ) As at 31st March, 2014</u>
<b>16</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	(Unsecured, Considered Good unless otherwise stated)		
	Loans to Body Corporates - Others	4,13,02,971	2,74,74,689
	Loans to Body Corporates - Related Party	1,60,49,278	1,22,19,684
	Advances to a Subsidiary	2,71,15,455	5,23,96,750
	Advances Recoverable in Cash or in kind for value to be received	3,12,92,187	3,91,09,495
	Advance Payment of Income Tax	3,20,30,140	3,12,84,740
	Income Tax Deducted at Source	73,24,261	53,27,882
	MAT Credit Entitlement	43,61,724	43,61,724
	Advance Fringe Benefit Tax	1,14,260	1,14,260
		<b><u>15,95,90,276</u></b>	<b><u>17,22,89,224</u></b>
<b>17</b>	<b>OTHER CURRENT ASSETS</b>		
	Prepaid Expenses	20,62,525	33,81,022
	Balances with Customs & Port Trust Authorities	46,184	46,184
	Balances with Excise Department	2,53,535	1,03,026
	Deposit with Govt. Department & Others	80,07,876	84,13,086
		<b><u>1,03,70,120</u></b>	<b><u>1,19,43,318</u></b>
			<b>(Amount in )</b>
<u>Note No.</u>	<u>Particulars</u>	<u>For the year ended 31st March, 2015</u>	<u>For the year ended 31st March, 2014</u>
<b>18</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>Sale of Products (Jute Goods)</b>	1,47,78,62,341	1,62,93,14,129
	<b>Other Operating Revenue</b>		
	Branding Charges (Net)	78,51,977	1,06,05,134
	Revenue from Operations (Gross)	1,48,57,14,318	1,63,99,19,263
	Less : Jute Marketing Cess	1,49,33,491	1,79,34,853
	Revenue from Operations (Net)	1,47,07,80,827	1,62,19,84,410
	Sale of Traded Goods	71,35,118	77,62,956
		<b><u>1,47,79,15,945</u></b>	<b><u>1,62,97,47,366</u></b>



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

Note No.	Particulars	(Amount in )	
		For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>19</b>	<b>OTHER INCOME</b>		
	Dividend Received		
	- From Other Non Current investments	95,387	8,21,697
	Interest Received		
	- On Loans & Others	39,49,610	20,82,835
	Profit on Sale of Fixed Assets (Net)	16,52,375	13,51,290
	Profit on Sale of Investments in Shares (Net)	—	2,36,909
	Rent Received	1,58,11,326	79,84,125
	Sale of Scrap	26,73,530	29,63,278
	Liability No Longer Required Written Back	19,47,770	8,74,927
		<b><u>2,61,29,998</u></b>	<b><u>1,63,15,061</u></b>
<b>20</b>	<b>COST OF MATERIALS CONSUMED</b>		
	<b>Raw Materials Consumed</b>		
	Opening Stock	9,85,98,000	15,14,42,193
	Add : Purchases	73,45,06,522	89,78,47,324
	Add : Jute Expenses	3,16,76,926	2,28,64,099
		<u>86,47,81,448</u>	<u>1,07,21,53,616</u>
	Less: Closing Stock	4,18,60,935	9,85,98,000
		<b><u>82,29,20,513</u></b>	<b><u>97,35,55,616</u></b>
<b>21</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SHARES IN TRADE</b>		
	<b>Closing Stock</b>		
	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
		<u>10,08,86,720</u>	<u>15,90,77,458</u>
	<b>Opening Stock</b>		
	Finished Goods	12,14,17,739	6,33,46,719
	Work in Process	2,60,36,645	3,38,05,658
	Shares	1,16,23,074	1,16,23,074
		<u>15,90,77,458</u>	<u>10,87,75,451</u>
	(Increase) / Decrease in Inventories	<b><u>5,81,90,738</u></b>	<b><u>(5,03,02,007)</u></b>

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

Note No.	Particulars	(Amount in )	
		For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>22</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and Wages	28,38,22,020	29,73,43,513
	Contribution to Provident Fund & Other Funds	3,49,27,661	3,55,34,889
	Staff Welfare Expenses	31,13,041	29,59,776
		<b><u>32,18,62,722</u></b>	<b><u>33,58,38,178</u></b>
<b>23</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	2,99,65,143	2,13,37,502
	Other Borrowing Costs	7,68,400	4,65,000
		<b><u>3,07,33,543</u></b>	<b><u>2,18,02,502</u></b>
<b>24</b>	<b>DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
	Depreciation on Tangible Assets	4,00,79,318	4,41,78,986
	Less : Transferred from General Reserve	2,58,04,034	2,58,04,034
		<b><u>1,42,75,284</u></b>	<b><u>1,83,74,952</u></b>
	Amortisation on Intangible Assets	1,71,840	2,57,760
		<b><u>1,44,47,124</u></b>	<b><u>1,86,32,712</u></b>
<b>25</b>	<b>OTHER EXPENSES</b>		
	Consumption of Stores & Spare Parts	7,75,01,584	10,61,90,152
	Carriage Inward	5,33,004	5,94,645
	Power and Fuel	8,99,21,459	9,02,64,704
	Rent	4,20,000	4,03,000
	Repairs to Building	30,42,269	44,34,348
	Repairs to Machinery	31,18,644	40,85,280
	Insurance Charges	35,45,531	23,27,009
	Rates and Taxes	15,98,881	11,56,320
	Other Manufacturing Expenses	3,16,80,306	4,02,82,602
	Duty, Cess, Entry Tax, Freight and Other Sales Expenses	1,57,96,048	2,37,54,498
	Directors Remuneration	45,00,000	45,00,000
	<b>Auditors</b>		
	Statutory Audit Fees	50,562	50,562
	Other Matters	55,764	19,663
	Miscellaneous expenses (Refer Note No. 28 and 40)	2,89,49,807	2,36,41,796
		<b><u>26,07,13,859</u></b>	<b><u>30,17,04,579</u></b>

# **BUDGE BUDGE COMPANY LIMITED**

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

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### **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) Fixed Assets and Depreciation**

##### **A) Tangible Assets**

- a) Fixed assets other than those revalued are stated at cost of acquisition or construction and net of subsidy less accumulated depreciation / amortisation / impairment, if any.
- b) Cost comprises purchase price, non-refundable taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets as well as finance charges wherever applicable relating to borrowed funds attributable to construction / acquisition of fixed assets till the same is put to use.
- c) The amounts added on revaluation is amortised over the period of useful life of the asset as determined and an equivalent amount thereof is transferred to the Profit & Loss Account from the General Reserve.
- d) Gains / Losses arising from sale / discard of fixed assets are increased as the difference between the net disposal proceeds and carrying amount of the assets and recognised in the Statement of Profit and Loss when the asset is sold / discarded.
- e) Depreciation is provided using the Straight Line Method as per the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

In respect of assets acquired / sold during the year, depreciation has been provided on pro-rata basis.

##### **B) Intangible Assets**

- a) Intangible Assets comprises of software, expected to provide future including economic benefits are stated at cost less accumulated amortisation. Cost comprises purchase value and directly attributable expenditure on making the asset ready for its intended use.

# **BUDGE BUDGE COMPANY LIMITED**

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

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b) Software is being amortised over a period of five years.

**iv) Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is to be charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss, if recognized in any accounting period, is reversible if there is any change in the estimate of recoverable amount.

**v) 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.

**vi) Exchange Fluctuations**

**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.

**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.

**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.

**vii) 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.

Cess duty payable on finished goods lying at factory at the year end is included in the valuation of finished goods.

# **BUDGE BUDGE COMPANY LIMITED**

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

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b) Stock of shares and debentures has been valued at cost or market value whichever is lower.

### **viii) 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.

### **ix) 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.

### **x) 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.

### **xi) 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.

### **xii) 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.

### **xiii) 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

# **BUDGE BUDGE COMPANY LIMITED**

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

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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.

### **xiv) Claims**

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

### **xv) 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.

### **xvi) 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.

### **xvii) 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.)*

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### xviii) 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.

### xix) 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.

### xx) 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. Contingent Liabilities not provided for in respect of following :

	Current Year Rs.	Previous Year Rs.
a) Sales Tax demands pending with appellate authorities	17,78,36,929	16,86,73,279
b) Claim for Damages on delayed payment of Employee State Insurance dues which the Company has disputed and final order of Employee Insurance Court, Kolkata, is pending. However, the Company is entitled to obtain waiver with regard to interest penalty and damages for delayed payments of the old outstanding in respect of Provident Fund and Employee State Insurance under the relevant statutory provisions. Necessary steps are being taken to obtain the waiver from the appropriate authorities.	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.

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

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- 28 Miscellaneous Expenses includes Rs. 22,49,127/- on account of short realisation on settlement of insurance claim against fire occurred at mills the financial year 2013-14.
- 29 The future liability of Rs. 15,75,72,355/- (Previous Year Rs. 17,01,10,935/-) being gratuity payable to employees determined as per actuarial valuation as at 31st March, 2015 under Revised AS-15 norms has not been provided for in the accounts due to non-availability of adequate surplus.
- 30 . 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 `3,83,632/- 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.
- 31 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 2015.
- 32 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/-.
- 33 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. 13771765/- 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.
- 34 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, 2015 to Micro, Small and Medium Enterprises an amount of principal together with interest aggregate to ` NIL (Previous Year ` NIL).
- 35 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.)**

36. 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) A.M. Industries Ltd
- iv) Ashmani Developers Limited
- v) Bengal Investments Limited
- vi) Suncity Properties P. Ltd.
- vii) 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

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

- Ripon Estates Ltd.

**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>2014-15</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2013-14</u>
i) Managerial Remuneration	4821013	4614499	—	—
ii) Payment to Raw Jute Creditors	—	—	42216647	432434713
iii) Payment to Stores Creditors	—	—	—	—
iv) Purchase of Raw Materials	—	—	412934607	425565210
v) Loans Given	—	—	2280529	3160000
vi) Advances Given	—	—	29371205	46994000
vii) Interest Received	—	—	1721183	398302
viii) Advances Received	—	—	54650000	34231111
ix) Reimbursement of Expenses	—	—	—	591750
x) Outstanding Payable As On 31.03.2015	—	—	177657759	187084799
xi) Outstanding Receivable As On 31.03.2015	—	—	44564251	65007395

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

37. 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
<b>Segment Revenue</b>						
From External Customers	Nil	Nil	Nil	Nil	Nil	Nil
<b>Segment Assets</b>	1152762937	1250907952	Nil	Nil	1152762937	1250907952

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

	<u>2014-15</u>	<u>2013-14</u>
Profit/(Loss) After Tax	(6546984)	26282270
Weighted average number of Equity Shares of Rs. 10 Each fully paid up	6382151	6382151
Earning Per Share( in Rs.) (Basic & Diluted)	<u>(1.03)</u>	<u>4.12</u>

39. Effective 1st April, 2014, depreciation has been calculated in accordance with Schedule II of the Companies Act, 2013, considering the useful life of respective assets as specified therein, the effect of which is as follows :-

- a) Depreciation for the year is lower and profit before tax is higher by Rs. 53,85,324/-.
- b) On account of transitional provisions of the said Schedule II, a sum of Rs. 7,03,682/- (net of deferred tax assets of Rs. 3,21,500/-) has been recognised in the general reserve in respect of fixed assets whose remaining useful life as on 1st April, 2014 is Rs. Nil.

40. The Company has made a provision of Rs. 9,46,450/- in its books of accounts shown under the head of Miscellaneous Expenses towards contributions for Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. The amount earmarked for CSR activities in the financial year 2014-15 will be incurred in the financial year 2015-16 for activities specified in Schedule VII of the Companies Act, 2013.

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

**41. Raw Material Consumed :**

	Unit	Quantity		Value (Rs.)	
		For the year ended	For the year ended	For the year ended	For the year ended
		31.03.15	31.03.14	31.03.15	31.03.14
Raw Jute	M.T.	23263	26554	822920513	973555616

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

	For the year ended		For the year ended	
	31.03.15	%	31.03.14	%
Indigenous	819792720	99.62	971130583	99.75
Imported	3127793	0.38	2425033	0.25
	822920513	100.00	973555616	100.00

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

	For the year ended 31.03.15		For the year ended 31.03.14	
	Value (Rs.)	%	Value (Rs.)	%
Indigenous	77501584	100.00	106190152	100.00
Imported	—	—	—	—
	77501584	100.00	106190152	100.00

**44. Value of Imports on C.I.F. Basis :**

	For the year ended 31.03.15		For the year ended 31.03.14	
	Value (Rs.)	%	Value (Rs.)	%
Raw Materials	3127793	100.00	2425033	100.00
Components & Spare Parts	—	—	—	—
Capital Goods	—	—	—	—
	3127793	100.00	2425033	100.00

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

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**45. Expenditure in Foreign Currency :**

	For the year ended 31.03.15	For the year ended 31.03.14
	Rs.	Rs.
Travelling Expenses	2453052	2619865

**46.** 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, 2015

For JAIN & CO.  
*Chartered Accountants*  
*Registration No. 302023E*  
M. K. JAIN  
*Partner*  
*Membership No. 55048*

ASHOK KUMAR PODDAR, *Chairman*  
MANISH PODDAR, *Mg. Director*  
D. V. SINGHI, *Secretary*  
P. K. GHORAWAT, *Chief Financial Officer*

# BUDGE BUDGE COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	(Amount in )	
	As at 31.03.2015	As at 31.03.2014
<b>A) CASH FROM OPERATING ACTIVITIES</b>		
<b>Net profit/loss before tax &amp; extra ordinary items</b>	(4822556)	37110759
<b>Adjustments for :</b>		
Depreciation	14447124	18632712
Interest Paid	29965143	21337502
Rent Received	(15811326)	(7984125)
Dividend Income	(95387)	(821697)
Interest Received	(3949610)	(2082835)
Profit / (Loss) on Sale of Fixed Assets	(1652375)	(1351290)
Profit on Sale of Investments (Net)	—	(236909)
	22903569	27493358
<b>Net Profit/Loss before working capital changes</b>	18081013	64604117
<b>Adjustment for :</b>		
Trade & Other Receivables	3959345	(25720166)
Inventories	117500847	2572341
Net Increase / Decrease in Other Loans & Advances	16612794	3727232
Net Increase / Decrease in Current / Non Current Liabilities	₹ (16222876)	5194904
	121850110	(14225689)
<b>Cash generated from operating activities</b>	139931123	50378428
Direct Taxes Paid (Net of Refund)	(2741779)	(10805109)
Income Tax Refund Received	—	—
<b>Cash Flow before Extra Ordinary Items</b>	137189344	39573319
Extra Ordinary Items	—	—
<b>NET CASH FROM OPERATING ACTIVITIES</b>	137189344	39573319
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(40807354)	(91725565)
Subsidy Received	5670658	7345200
Purchase of Investments	(30000000)	(123000)
Sale of Fixed Assets	2187000	2185000
Sale of Investment	—	9466400
Dividend Income	95387	821697
Rent Received	15811326	7984125
Interest Received	3949610	2082835
<b>NET CASH FROM INVESTING ACTIVITIES</b>	(43093373)	(61963308)

# BUDGE BUDGE COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

	(Amount in ₹)	
	<u>As at 31.03.2015</u>	<u>As at 31.03.2014</u>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	(3575087)	8365010
Proceeds from Short Term Borrowings	(46695280)	38170616
Interest Paid	(29965143)	(21337502)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>(80235510)</u>	<u>25198124</u>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<u>13860461</u>	<u>2808135</u>
<b>OPENING CASH &amp; CASH EQUIVALENTS</b>	<u>21490904</u>	<u>18682769</u>
<b>CLOSING CASH &amp; CASH EQUIVALENTS</b>	<u>35351365</u>	<u>21490904</u>

The accompanying notes from 1 to 46 form an integral part of the financial statements.

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Per Our Report attached of Even Date

For JAIN & CO.

Chartered Accountants  
Registration No. 302023E

M. K. JAIN

Partner

Membership No. 55048

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*

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

Dated the 23rd day of May, 2015

**BUDGE BUDGE COMPANY LIMITED**

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CONSOLIDATED FINANCIAL STATEMENT OF  
BUDGE BUDGE COMPANY LIMITED  
AND ITS SUBSIDIARY

# **BUDGE BUDGE COMPANY LIMITED**

## **CONSOLIDATED AUDITORS' REPORT**

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### **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, 2015, 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 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 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 the 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, 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



# **BUDGE BUDGE COMPANY LIMITED**

## **CONSOLIDATED AUDITORS' REPORT (Contd.)**

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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 sub paragraph (a) of 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, 2015 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 19,68,10,289/- as at 31st March, 2015, total revenues of Rs 35,84,207/- and net cash flows amounting to Rs 33,437/- for the year ended on that date, as considered in the consolidated financial statements.

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 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, based on the comments in the auditor's reports of the Holding Companies and Subsidiary Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- 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 of the aforesaid 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

# BUDGE BUDGE COMPANY LIMITED

## CONSOLIDATED AUDITORS' REPORT (Contd.)

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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 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, 2015 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2015 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 in its financial statements - Refer 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 were no amounts which were required to be transferred 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, 2015

For JAIN & CO.  
Chartered Accountants  
Registration No. 302023E

M. K. JAIN  
Partner  
Membership No. 55048

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### ANNEXURE TO THE AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

Our reporting on the Order includes one subsidiary company incorporated in India, to which the Order is applicable, which has been audited by other auditor and our report in respect of this company is based solely on the report of the other auditor, to the extent considered applicable for reporting under the Order in the case of the financial statements :-

1. In respect of the fixed assets of the Holding Company and subsidiary company incorporated in India :-
- a) The respective companies have maintained proper records showing full particulars including, quantitative details and situation of fixed assets.

# BUDGE BUDGE COMPANY LIMITED

## CONSOLIDATED AUDITORS' REPORT (Contd.)

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- b) As explained to us some of the fixed assets have been physically verified by the management of the respective companies at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Holding Company and Subsidiary Company incorporated in India :-
- a) As explained to us and other auditor, inventory has been physically verified during the year by the management of the respective companies at reasonable intervals.
- b) In our opinion and the opinion of the other auditor and according to the information and explanations given to us and other auditor, the procedures of physical verification of inventory followed by the management of the respective companies are reasonable and adequate in relation to the size of the respective companies and the nature of its business.
- c) In our opinion and the opinion of the other auditor and on the basis of our and other auditors' examination of the records, the respective Companies are generally maintaining proper records of its inventory. No material discrepancies were noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and other auditors and on the basis of examination of books of account, We are of the opinion that the Holding Company and Subsidiary have granted unsecured loans to companies listed in the register maintained under section 189 of the Act. The amount of outstanding loans as on 31st March, 2015 is Rs. 16049278/-. In our opinion and the opinion of the other auditor, the Holding Company and Subsidiary are regular in receipt of both principal and interest amount.
4. In our opinion and the opinion of other auditor and according to the information and explanations given to us and the other auditor, there is generally an adequate internal control procedure commensurate with the size of the respective companies and the nature of their business, for the purchase of inventories, fixed assets and with regards to sale of goods and services. During the course of our and the other auditor audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. According to the information and explanations given to us and the other auditor, the Holding Company and Subsidiary Company incorporated in India have not accepted any deposit during the year and accordingly the question of complying with Sections 73 and 76 of the Companies Act, 2013 does not arise.
6. As per information & explanation given to us by the management, maintenance of cost records has been specified by the Central Government under sub section (1) of Section 148 of the Act for Holding Company manufacturing jute products 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. In the opinion of other auditor, maintenance of cost records is not applicable for Subsidiary Company.
7. a) According to the records of the Group, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty,

# BUDGE BUDGE COMPANY LIMITED

## CONSOLIDATED AUDITORS' REPORT (Contd.)

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Excise Duty, Value Added Tax, and Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and other auditors there were no outstanding statutory dues as on 31st March, 2015 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 other auditors and on the basis of the documents and records of the Group, the disputed statutory dues which have not been deposited with the appropriate authorities are given in Annexure-1.
  - c) According to the information and explanations given to us and other auditors and on the basis of the documents of the Group, no amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder for the year ending 31st March, 2015.
8. The Holding Company and Subsidiary Company do not have any accumulated losses as at 31st March, 2015 and Holding Company has incurred cash loss during the financial year ended 31st March, 2015 but no cash loss was incurred in the immediately preceding financial year by Holding Company and Subsidiary Company.
  9. Based on our and other auditor's audit procedures and on the information and explanations given by the management, we and other auditors are of the opinion that, the Group has not defaulted in repayment of dues to financial institutions and banks.
  10. According to the information and explanations given to us and other auditor, the Holding Company and Subsidiary Company have not given any guarantees for loan taken by others from bank or financial institutions;
  11. Based on our and other auditor's audit procedures and on the basis of information given by the management to us and other auditor, we report that the Holding Company and Subsidiary Company has applied the money received as term loans during the year for the purposes for which they were obtained.
  12. Based on the audit procedures performed and the information and explanations given to us and other auditor, we report that no fraud on or by the Holding Company and Subsidiary Company has been noticed or reported during the year, nor have we and other auditor been informed of such case by the management.

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

Dated the 23rd day of May, 2015

For JAIN & CO.  
*Chartered Accountants*  
*Registration No. 302023E*  
M. K. JAIN  
*Partner*  
*Membership No. 55048*

# BUDGE BUDGE COMPANY LIMITED

ANNEXURE - I

[Refer Point No. 7(b) of Annexure to the Consolidated Auditors Report]

Consolidated Disputed Statutory Dues as on 31-03-2015

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 B.F.(S.T.) Act '41	Assessment Dues DO	1995-96 1994-95	Sr. Jt. Commissioner W.B.C.T. A & R Board	751499 586397	1337896
C.S.T. Act '56	DO	1982-83, 1995-96 1997-98, 2001-02 1995-96 to 1997-98, 2001-02 2003-04 to 2004-05 2002-03	Sr. Jt. Commissioner  W.B.C.T. A & R Board	10361093  26840706	
W.B.S.T. Act '94	DO	1996-97, 1999-00 to 2001-02	Adl. Commissioner High Court, Kolkata	2191838	39393637
	DO	2003-04 to 2004-05 1995-96 to 1997-98 1998-99 2002-03, 2003-04	W.B.C.T. A & R Board	14908230	
W.B. VAT 2003	DO	2005-06 2007-08 2006-07 2008-09 2010-11 2011-12	Sr. Jt. Commissioner W.B.C.T. A & R Board Adl. Commissioner High Court, Kolkata	9652034 117722 11128938	35806924
	DO	2007-08 2008-09 2009-10 2010-11 2011-12	Sr. Jt. Commissioner Sr. Jt. Commissioner Adl. Commissioner Adl. Commissioner Adl. Commissioner	16492347 1258726 724419 9149830 1302202 9178235	38105759
CST ACT 1956	DO	2007-08 2008-09 2009-10 2010-11 2011-12	Sr. Jt. Commissioner Adl. Commissioner Adl. Commissioner Adl. Commissioner Adl. Commissioner	2228733 19690309 14319727 16893898 10060046	
					63192713
					<b>177836929</b>

# BUDGE BUDGE COMPANY LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31st March, 2015</u>	<u>(Amount in ) As at 31st March, 2014</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	6,38,21,510	6,38,21,510
Reserves and Surplus	2	42,48,67,241	45,02,39,607
		<b>48,86,88,751</b>	<b>51,40,61,117</b>
<b>Minority Interest</b>		1,62,98,933	15,06,481
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	3,12,61,163	3,48,36,250
Deferred Tax Liabilities	4	1,61,21,702	1,47,46,988
		<b>4,73,82,865</b>	<b>4,95,83,238</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	5	14,56,49,325	17,70,20,329
Trade Payables	6	36,27,46,550	37,08,98,010
Other Current Liabilities	7	21,37,40,234	16,93,13,031
Short-Term Provisions	8	3,63,53,792	3,62,14,841
		<b>75,84,89,901</b>	<b>75,34,46,211</b>
		<b>1,31,08,60,450</b>	<b>1,31,85,97,047</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets	₹		
Tangible Assets	9	66,39,38,192	64,96,81,857
Intangible Assets	10	2,22,41,432	5,15,520
Capital Work in Progress		—	2,07,82,926
		<b>68,61,79,624</b>	<b>67,09,80,303</b>
Non-Current Investments	11	3,97,23,707	3,63,07,429
Long Term Loans and Advances	12	89,71,110	85,59,979
		<b>73,48,74,441</b>	<b>71,58,47,711</b>
<b>Current Assets</b>			
Inventories	13	23,03,18,578	32,77,83,987
Trade Receivables	14	6,94,59,256	7,34,18,601
Cash and Bank Balances	15	3,62,11,368	2,23,17,470
Short Term Loans & Advances	16	22,73,96,562	16,57,50,001
Other Current Assets	17	1,26,00,245	1,34,79,277
		<b>57,59,86,009</b>	<b>60,27,49,336</b>
		<b>1,31,08,60,450</b>	<b>1,31,85,97,047</b>

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, 2015

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, 2015

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2015</u>	<u>(Amount in ) For the year ended 31st March, 2014</u>
<b>REVENUE</b>			
Revenue from Operations (Gross)	18	1,49,28,49,436	1,64,76,82,219
Less : Jute Manufacturing Cess		1,49,33,491	1,79,34,853
Revenue from Operations (Net)		1,47,79,15,945	1,62,97,47,366
Other Income	19	2,97,14,205	1,81,32,541
<b>TOTAL REVENUE</b>		<b>1,50,76,30,150</b>	<b>1,64,78,79,907</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	82,29,20,513	97,35,55,616
Purchase of Stock-in-Trade		—	77,20,088
Changes in Inventories of Finished Goods, Work in Progress and Stock in Shares	21	5,81,90,738	(5,03,02,007)
Employee Benefits Expenses	22	32,30,51,690	33,66,76,996
Finance Costs	23	3,07,33,794	2,18,30,360
Depreciation & Amortisation	24	1,46,40,069	1,86,51,750
Other Expenses	25	26,21,56,058	30,22,65,945
<b>TOTAL EXPENSES</b>	<b>₹</b>	<b>1,51,16,92,862</b>	<b>1,61,03,98,748</b>
<b>Profit Before Tax</b>		<b>(40,62,712)</b>	<b>3,74,81,159</b>
<b>Tax Expenses</b>			
Current Tax		1,10,737	76,40,835
Less : MAT Credit Entitlement		—	(3,11,210)
		1,10,737	79,52,045
Wealth Tax		28,214	25,341
Deferred Tax		16,96,214	29,20,103
		18,35,165	1,08,97,489
<b>Profit After Tax</b>		<b>(58,97,877)</b>	<b>2,65,83,670</b>
<b>Earnings Per Equity Share (Nominal Value of Rs. 10 each)</b>			
Basic & Diluted	40	<b>(0.92)</b>	<b>4.15</b>

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, 2015

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	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
1.	<b>(A) SHARE CAPITAL</b>		
	<b>Details of Authorised, Issued, Subscribed and Fully Paid Up Shares</b>		
	<b>Authorised Share Capital :</b>		
	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) Ordinary Equity Shares of Rs. 10/- each	6,40,00,000	6,40,00,000
		<b>6,65,00,000</b>	<b>6,65,00,000</b>
	<b>Issued, Subscribed &amp; Paid-up Share Capital :</b>		
	63,82,151 (Previous Year 63,82,151) Ordinary Equity Shares of Rs. 10/- each	6,38,21,510	6,38,21,510
		<b>6,38,21,510</b>	<b>6,38,21,510</b>

### 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.)

<u>Note No.</u>	<u>Particulars</u>	<u>As at 31st March, 2015</u>	<u>(Amount in ) As at 31st March, 2014</u>
	<b>(B) Reconciliation of Paid-up Share Capital</b>		
	<b>Ordinary Equity Shares of Rs. 10 each</b>		
	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**

	₹				

<u>Particulars</u>	<u>As at 31st March, 2015</u>	<u>(Amount in ) As at 31st March, 2014</u>
<b>Allotment of shares as fully paid up pursuant to contracts without payment being received in cash</b>		
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

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ₹) As at 31st March, 2014
<b>2</b>	<b>RESERVE &amp; SURPLUS</b>		
	<b>Capital Redemption Reserve</b>		
	Opening Balance	15,91,890	15,91,890
		<b>15,91,890</b>	<b>15,91,890</b>
	<b>Capital Reserve</b>		
	Arising on Consolidation	—	23,17,666
		—	<b>23,17,666</b>
	<b>Securities Premium Account</b>		
	Received during the year	1,00,00,000	—
		<b>1,00,00,000</b>	—
	<b>General Reserve</b>		
	Opening Balance	38,48,83,086	37,06,87,120
	Add : Transferred from Statement of Profit & Loss	—	4,00,00,000
		38,48,83,086	41,06,87,120
	Less : Adjustment in value of fixed assets on implementation of new depreciation method (Net of deferred tax assets of 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
		2,65,07,716	2,58,04,034
		<b>35,83,75,370</b>	<b>38,48,83,086</b>
	<b>Statement of Profit and Loss</b>		
	Opening Balance	6,39,94,112	7,75,10,441
	Add : Profit for the year	(58,97,877)	2,65,83,670
		5,80,96,235	10,40,94,111
	Less : Transferred to General Reserve	—	4,00,00,000
	Income Tax for Earlier Year	—	99,999
	Adjusted on Consolidation	31,96,254	25,47,147
		<b>31,96,254</b>	<b>4,26,47,146</b>
		<b>5,48,99,981</b>	<b>6,14,46,965</b>
		<b>42,48,67,241</b>	<b>45,02,39,607</b>

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ₹) As at 31st March, 2014
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	<b>TERM LOANS FROM BANK</b>		
	<b>Secured</b>		
	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)	2,98,86,544	3,27,03,750
	From HDFC Bank (Secured by hypothecation of Motor Vehicles)	4,78,458	4,71,352
		<b>3,03,65,002</b>	<b>3,31,75,102</b>

₹

### 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	03.05.12	900000	36 monthly instalments of Rs. 29500/- starting from May, 2012 and ending on April, 2015
From HDFC Bank - Car Loan	09.11.10	3160000	45 monthly instalments of Rs. 65065/- starting from November, 2010 and ending on July, 2014.

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
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Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
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

### TERM LOANS FROM OTHERS

#### Secured

From BMW India Financial Services P. Ltd.	8,96,161	12,95,106
From Kotak Mahindra Prime Ltd.	—	3,66,042
(Secured by hypothecation of Motor Cars)		
	<b>8,96,161</b>	<b>16,61,148</b>

### 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
Kotak Mahindra Prime Ltd - Car Loan	14.03.13	1000000	36 monthly instalments of Rs. 32150/- starting from April, 2013 and ending on March, 2016

**3,12,61,163**

**3,48,36,250**

## 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	1,61,21,702	1,47,46,988
(Deferred Tax Liabilities have been calculated in accordance with AS-22 as notified by the Companies (Accounts) Rules, 2014)		
	<b>1,61,21,702</b>	<b>1,47,46,988</b>

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>5</b>	<b>SHORT-TERM BORROWINGS</b>		
	<b>Secured</b>		
	<b>From Banks</b>		
	<b>Cash Credit from Allahabad Bank</b>	7,66,74,248	12,56,95,408
	(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.)		
	<b>Term Loan from Allahabad Bank</b>	1,85,76,000	1,33,76,000
	(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.)		
	<b>From HDFC Bank</b>	7,47,204	10,35,549
	(Secured by hypothecation of Motor Cars)		
		<u>9,59,97,452</u>	<u>14,01,06,957</u>
	<b>TERMS OF REPAYMENT</b> ₹		
	(Refer Note No. 3)		
	<b>From Others</b>		
	<b>Secured</b>		
	From BMW India Financial Services P. Ltd.	3,98,945	3,58,135
	From Kotak Mahindra Prime Ltd.	3,66,042	3,31,919
	From Reliance Capital Ltd.	—	1,60,708
	(Secured by hypothecation of Motor Cars)		
		<u>7,64,987</u>	<u>8,50,762</u>
	<b>TERMS OF REPAYMENT</b>		
	<b>Unsecured</b>		
	From Others	4,88,86,886	3,60,62,610
		<u>14,56,49,325</u>	<u>17,70,20,329</u>

Particulars	Date of Sanction	Original Loan Rs.	Repayment Schedule
BMW India Financial Serv. P. Ltd. - Car Loan			Refer Note No. 3
Kotak Mahindra Prime Ltd - Car Loan			Refer Note No. 3
Reliance Capital Ltd. - Car Loan	16.12.11	567750	36 monthly instalments of Rs.18,800/- starting from February, 2012 and ending on January, 2015

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>6</b>	<b>TRADE PAYABLES</b>		
	Trade Payables (Refer Note No. 34)	36,27,46,550	37,08,98,010
		<b>36,27,46,550</b>	<b>37,08,98,010</b>
<b>7</b>	<b>OTHER CURRENT LIABILITIES</b>		
	<b>Loans from Government of West Bengal</b>		
	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
		<b>3,27,07,124</b>	<b>3,27,07,124</b>
	<b>Other Payables</b>		
	TDS Payable	8,09,812	6,40,821
	Service Tax Payable	1,33,069	67,422
	Works Contract Tax	53,886	53,886
	West Bengal Professional Tax Payable ₹	1,160	83,768
	Brokerage & Commission Payable	78,04,893	77,05,509
	Electricity Charges Payable	26,88,831	30,12,346
	Salary & Wages Payable	2,17,93,914	2,53,94,944
	Other Payables	2,73,36,255	2,62,28,744
		<b>6,06,21,820</b>	<b>6,31,87,440</b>
	Bank Overdraft (Due to Reconciliation)	7,05,298	—
	Advances from Customers	24,48,817	50,26,247
	Other Advances Received	748,51,710	2,85,11,661
	Interest Accrued & Due on Unsecured Loans	4,19,97,794	3,94,72,888
	Interest Accrued But Not Due on Unsecured Loans	76,133	76,133
	Liability for Preference Share Redemption	3,31,538	3,31,538
		<b>12,04,11,290</b>	<b>7,34,18,467</b>
		<b>21,37,40,234</b>	<b>16,93,13,031</b>
<b>8</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Income Tax	3,62,41,641	3,61,30,904
	Provision for Fringe Benefit Tax	38,400	38,400
	Provision for Wealth Tax	73,751	45,537
		<b>3,63,53,792</b>	<b>3,62,14,841</b>

# BUDGE BUDGE COMPANY LIMITED

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

### NOTE NO. 9

#### TANGIBLE FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-03-14	Additions	Deductions/ Adjustments	As At 31-03-14	Adjusted with General Reserve (Refer Note 39)	Provided for the year	Deductions/ Adjustments	As At 31-03-14	As At 31-03-15	As At 31-03-14
Land	155787500	—	—	—	—	—	—	—	155787500	155787500
Buildings	255167655	27252590	2188458	110287508	(1528653)	9157089	—	120973450	159258337	144880147
Plant & Machinery	676267243	32727376	4151272	349644847	762162	27378633	635618	375625700	329217647	326622396
Furniture & Fixtures	14112396	337585	—	2978717	3977	1147082	—	4121822	10328159	11133679
Office Equipments	1114400	123270	—	575665	(173349)	223312	—	972326	265344	538735
Motor Car	12744832	1250517	752503	3191941	12189	1606254	251332	4534674	8708172	9552891
Data Processing Machines	3604793	61048	—	2438284	(101308)	753216	—	3292808	373033	1166509
<b>Total</b>	<b>1118798819</b>	<b>61752386</b>	<b>7092233</b>	<b>469116962</b>	<b>(1025182)</b>	<b>40265586</b>	<b>886950</b>	<b>509520780</b>	<b>663938192</b>	<b>649681857</b>
Previous Year	1035917174	94043325	11161680	1118798819	—	44198024	2982770	469116962	649681857	—

### NOTE NO. 10

#### INTANGIBLE FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-03-14	Additions	Deductions/ Adjustments	As At 31-03-14	Adjusted with General Reserve (Refer Note 41)	Provided for the year	Deductions/ Adjustments	As At 31-03-14	As At 31-03-15	As At 31-03-14
Computer Software	1288800	78750	—	773280	—	178517	—	951797	415753	515520
Goodwill (Arising on Consolidation)	—	21825679	—	21825679	—	—	—	—	21825679	—
<b>Total</b>	<b>1288800</b>	<b>21904429</b>	<b>—</b>	<b>773280</b>	<b>—</b>	<b>178517</b>	<b>—</b>	<b>951797</b>	<b>22241432</b>	<b>515520</b>
Previous Year	1288800	—	—	1288800	515520	257760	—	773280	515520	—

# 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 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
<b>Non - Trade Investment</b>					
<b>Investment in Equity Instruments (At Cost)</b>					
<b>Long term</b>					
<b>In Fully paid up Shares of Joint Stock Companies</b>					
(Long Term Unless Otherwise Stated)					
<b>Other than Trade</b>					
<b>A. QUOTED</b>					
Asian Paints Ltd.	1	547	547	271198	271198
Bharat Forge Ltd	2	395	-	505539	-
Bharat Petroleum	10	1071	-	664368	-
Bosch Ltd	10	33	54	208715	341802
Cairn Ltd	10	-	719	-	217541
Divis Laboratories Ltd	2	-	415	-	458890
Eicher Motors Ltd	10	270	281	573109	596240
Godrej Industries Ltd	1 ₹	-	1739	-	326909
HDFC Bank	2	725	819	317404	359666
Hero Motocorp	2	137	137	271596	271596
Housing Development Finance Corpn Ltd	2	533	533	342502	342502
ING Vysya Bank	10	1100	1100	408289	408289
Jammu & Kashmir Bank	1	6340	646	495720	505118
Larsen & Toubro Ltd	2	252	252	289247	289247
Max India Ltd	2	457	-	143424	-
Nestle India Ltd	10	-	89	-	333293
Petronet LNG Ltd	10	3540	3540	586499	586499
Pidilite Industries Ltd	1	-	501	-	91180
Reliance Industries Ltd	10	373	373	395605	395605
Rural Electrification Corporation Ltd	10	781	-	281406	-
Speciality Resturants Ltd	10	1352	1352	232730	232730
State Bank of India	1	2040	204	505498	505498
Sun Pharmaceutical Industries Ltd	1	903	-	661140	-
Tata Consultancy Services	1	206	-	434959	-
Tech Mahindra Ltd	5	1052	263	415872	415872
Triveni Turbine Ltd	1	5804	5804	61798	61798
United Spirits Ltd	10	123	-	302918	-
Vardhaman Textiles Ltd	10	-	1576	-	434494



# BUDGE BUDGE COMPANY LIMITED

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

(Amount in )					
Particulars	Face Value	Numbers		Amount	
		As at 31.3.2015	As at 31.3.2014	As at 31.3.2015	As at 31.3.2014
Whirlpool of India Ltd.	10	300	300	7050	7050
				<b>8376586</b>	<b>7453017</b>
<b>Unquoted</b>					
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	878405	878405	8558225	8558225
Ess Emm Enclaves (P) Ltd.	10	37500	37500	375000	375000
Infosys Agency Pvt Ltd	10	290	149	456197	466528
P&A Bottlers P. Ltd	10	1125000	1125000	11250000	11250000
Rash Behari Construction (P) Ltd	10	7500	7500	75000	75000
Southwest Construction (P) Ltd	10	400	400	4000	4000
Suncity Properties (P) Ltd	10	186700	186700	1975000	1975000
Tivolipark Apartments (P) Ltd.	100	58104	56000	8103040	5600000
Tyron Agency (P) Ltd	10₹	200	200	2000	2000
Zenom Vinimay P. Ltd	10	10000	10000	500000	500000
				<b>31339162</b>	<b>28846453</b>
<b>C. Investment in Mutual Funds (At Cost)</b>					
		<b>Units</b>	<b>Units</b>		
Bench Marks Liquid Bees		0.222	0.222	22	22
				<b>22</b>	<b>22</b>
<b>D. In Government Securities</b>					
7 years National Saving Certificate lodged as Security with Central Excise Authority				<b>7937</b>	<b>7937</b>
Aggregate Value of Unquoted Investments.				<b>31347121</b>	<b>28854412</b>
Aggregate Value of Investments.				<b>39723707</b>	<b>36307429</b>
<b>Notes :</b>					
<b>(1) Quoted Investments</b>					
Aggregate amount				8376586	7453017
Market value				16188713	9245430
<b>(2) Unquoted Investments</b>					
Aggregate amount				31347121	28854412

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>12</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Unsecured, Considered Good unless otherwise stated		
	Security Deposits	89,71,110	85,59,979
		<u>89,71,110</u>	<u>85,59,979</u>
<b>13</b>	<b>INVENTORIES</b>		
	(As per Inventories Taken, Valued and Certified by the management)		
	Raw Materials	4,18,60,935	9,85,98,000
	Work in Progress	9,21,76,055	7,16,52,189
	Finished Goods	6,73,16,596	12,14,17,739
	Stores and Spare Parts	2,19,19,941	2,44,92,985
	<b>Stock in Trade</b>		
	Stock of Shares (Refer Note No. 32) ₹	70,45,051	1,16,23,074
		<u>23,03,18,578</u>	<u>32,77,83,987</u>
<b>14</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured, Considered Good unless otherwise stated		
	Outstanding For More Than Six Months	85,41,251	34,83,199
	Others	6,09,18,005	6,99,35,402
		<u>6,94,59,256</u>	<u>7,34,18,601</u>
<b>15</b>	<b>CASH AND BANK BALANCES</b>		
	<b>Cash &amp; Cash Equivalents</b>		
	Cash in hand	40,08,077	16,70,281
	Cheques in Hand	—	73,45,200
	<b>Balance with Banks</b>		
	In Current Accounts	3,22,03,291	1,33,01,989
		<u>3,62,11,368</u>	<u>2,23,17,470</u>

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	As at 31st March, 2015	(Amount in ) As at 31st March, 2014
<b>16</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	(Unsecured, Considered Good unless otherwise stated)		
	Loans to Body Corporates - Others	4,36,65,513	2,96,86,031
	Loans to Body Corporates - Related Party	3,36,62,710	2,76,28,468
	Advances Recoverable in Cash or in kind for value to be received	10,57,41,618	6,70,56,252
	Advance Payment of Income Tax	3,20,33,296	3,12,88,896
	Income Tax Deducted at Source	77,80,060	55,77,989
	MAT Credit Entitlement	43,61,724	43,61,724
	Advance Fringe Benefit Tax	1,50,641	1,50,641
		<b>22,73,96,562</b>	<b>16,57,50,001</b>
<b>17</b>	<b>OTHER CURRENT ASSETS</b>		
	Advance against Share Application	5,00,000	5,49,895
	Prepaid Expenses	20,62,525	33,81,022
	Service Tax Receivable	17,30,125	9,86,064
	Balances with Customs & Port Trust Authorities	46,184	46,184
	Balances with Excise Department	2,53,535	1,03,026
	Deposit with Govt. Department & Others	80,07,876	84,13,086
		<b>1,26,00,245</b>	<b>1,34,79,277</b>
			(Amount in )
Note No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>18</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>Sale of Products (Jute Goods)</b>	1,47,78,62,341	1,62,93,14,129
	<b>Other Operating Revenue</b>		
	Branding Charges (Net)	78,51,977	1,06,05,134
	Revenue from Operations (Gross)	1,48,57,14,318	1,63,99,19,263
	Less : Jute Manufacturing Cess	1,49,33,491	1,79,34,853
	Revenue from Operations (Net)	1,47,07,80,827	1,62,19,84,410
	Sale of Traded Goods	71,35,118	77,62,956
		<b>1,47,79,15,945</b>	<b>1,62,97,47,366</b>

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	For the year ended 31st March, 2015	(Amount in ) For the year ended 31st March, 2014
<b>19</b>	<b>OTHER INCOME</b>		
	Dividend Received		
	- From Other Non Current investments	2,87,707	10,14,583
	Interest Received		
	- On Loans & Others	60,06,534	35,74,390
	Profit on Sale of Fixed Assets (Net)	16,52,375	13,51,290
	Profit on Sale of Investments in Shares (Net)	13,34,963	69,948
	Rent Received	1,58,11,326	79,84,125
	Service Charges Received	—	3,00,000
	Sale of Scrap	26,73,530	29,63,278
	Liability No Longer Required Written Back	19,47,770	8,74,927
		<b>2,97,14,205</b>	<b>1,81,32,541</b>
<b>20</b>	<b>COST OF MATERIALS CONSUMED</b>		
	<b>Raw Materials Consumed</b>		
	Opening Stock	9,85,98,000	15,14,42,193
	Add : Purchases	73,45,06,522	89,78,47,324
	Add : Jute Expenses	3,16,76,926	2,28,64,099
		86,47,81,448	1,07,21,53,616
	Less: Closing Stock	4,18,60,935	9,85,98,000
		<b>82,29,20,513</b>	<b>97,35,55,616</b>
<b>21</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND SHARES IN TRADE</b>		
	<b>Closing Stock</b>		
	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
	<b>Opening Stock</b>		
	Finished Goods	12,14,17,739	6,33,46,719
	Work in Process	2,60,36,645	3,38,05,658
	Shares	1,16,23,074	1,16,23,074
		15,90,77,458	10,87,75,451
	(Increase) / Decrease in Inventories	<b>5,81,90,738</b>	<b>(5,03,02,007)</b>

# BUDGE BUDGE COMPANY LIMITED

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

Note No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
			(Amount in )
<b>22</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and Wages	28,49,51,833	29,80,97,363
	Contribution to Provident Fund & Other Funds	3,49,27,661	3,55,34,889
	Staff Welfare Expenses	31,72,196	30,44,744
		<b>32,30,51,690</b>	<b>33,66,76,996</b>
<b>23</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	2,99,65,394	2,13,65,360
	Other Borrowing Costs	7,68,400	4,65,000
		<b>3,07,33,794</b>	<b>2,18,30,360</b>
<b>24</b>	<b>DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
	Depreciation on Tangible Assets	4,02,65,586	4,41,98,024
	Less : Transferred from General Reserve	2,58,04,034	2,58,04,034
		₹ 1,44,61,552	1,83,93,990
	Amortisation on Intangible Assets	1,78,517	2,57,760
		<b>1,46,40,069</b>	<b>1,86,51,750</b>
<b>25</b>	<b>OTHER EXPENSES</b>		
	Consumption of Stores & Spare Parts	7,75,01,584	10,61,90,152
	Carriage Inward	5,33,004	5,94,645
	Power and Fuel	8,99,21,459	9,02,64,704
	Rent	4,20,000	4,03,000
	Repairs to Building	30,42,269	44,34,348
	Repairs to Machinery	31,18,644	40,85,280
	Insurance Charges	35,45,531	23,27,009
	Rates and Taxes	16,59,021	11,60,720
	Other Manufacturing Expenses	3,16,80,306	4,02,82,602
	Duty, Cess, Entry Tax, Freight and Other Sales Expenses	1,57,96,048	2,37,54,498
	Directors Remuneration	45,00,000	45,00,000
	<b>Auditors</b>		
	Statutory Audit Fees	64,745	62,498
	Other Matters	55,764	19,663
	Miscellaneous expenses (Refer Note No. 30 and 42)	3,03,17,683	2,41,86,826
		<b>26,21,56,058</b>	<b>30,22,65,945</b>

# BUDGE BUDGE COMPANY LIMITED

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

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### 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) Fixed Assets and Depreciation

##### A) Tangible Assets

- a) Fixed assets other than those revalued are stated at cost of acquisition or construction and net of subsidy less accumulated depreciation / amortisation / impairment, if any.
- b) Cost comprises purchase price, non-refundable taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets as well as finance charges wherever applicable relating to borrowed funds attributable to construction / acquisition of fixed assets till the same is put to use.
- c) The amounts added on revaluation is amortised over the period of useful life of the asset as determined and an equivalent amount thereof is transferred to the Profit & Loss Account from the General Reserve.
- d) Gains / Losses arising from sale / discard of fixed assets are increased as the difference between the net disposal proceeds and carrying amount of the assets and recognised in the Statement of Profit and Loss when the asset is sold / discarded.
- e) Depreciation is provided using the Straight Line Method as per the useful lives of the assets specified in Schedule II of the Companies Act, 2013.

In respect of assets acquired / sold during the year, depreciation has been provided on pro-rata basis.

##### B) Intangible Assets

- a) Intangible Assets comprises of software, expected to provide future including economic benefits are stated at cost less accumulated amortisation. Cost comprises purchase value and directly attributable expenditure on making the asset ready for its intended use.

# BUDGE BUDGE COMPANY LIMITED

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

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b) Software is being amortised over a period of five years.

### iv) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is to be charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss, if recognized in any accounting period, is reversible if there is any change in the estimate of recoverable amount.

### v) 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.

### vi) Exchange Fluctuations

#### 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.

#### 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.

#### 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.

### vii) 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.

Cess duty payable on finished goods lying at factory at the year end is included in the valuation of finished goods.

# BUDGE BUDGE COMPANY LIMITED

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

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b) Stock of shares and debentures has been valued at cost or market value whichever is lower.

### viii) 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.

### ix) 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.

### x) 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.

### xi) 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.

### xii) 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.

### xiii) 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



# BUDGE BUDGE COMPANY LIMITED

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

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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.

### **xiv) Claims**

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

### **xv) 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.

### **xvi) 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.

### **xvii) 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

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

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### xviii) 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.

### xix) 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.

### xx) 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. 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 networth (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 its Subsidiary as below :-

# BUDGE BUDGE COMPANY LIMITED

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

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 %

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

	<u>Current Year</u> Rs.	<u>Previous Year</u> Rs.
a) Sales Tax demands pending with appellate authorities	17,78,36,929	16,86,73,279
b) Claim for Damages on delayed payment of Employee State Insurance dues which the Company has disputed and final order of Employee Insurance Court, Kolkata, is pending. However, the Company is entitled to obtain waiver with regard to interest penalty and damages for delayed payments of the old outstanding in respect of Provident Fund and Employee State Insurance under the relevant statutory provisions. Necessary steps are being taken to obtain the waiver from the appropriate authorities.  Provisions against above mentioned contingent liabilities have not been made as the management does not foresee any liability in view of the legal opinion taken by the management.	11,45,951	11,45,951
29 Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) Rs. 8.62 lacs (previous year Rs. 8.62 lacs).		
30 Miscellaneous Expenses includes 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. 15,75,72,355/- (Previous Year Rs. 17,01,10,935/-) being gratuity payable to employees determined as per actuarial valuation as at 31st March, 2015 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. 3,83,632/- 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, 2015.		
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/-.		

# BUDGE BUDGE COMPANY LIMITED

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

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- 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. 13771765/- 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.
- 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, 2015 to Micro, Small and Medium Enterprises an amount of principal together with interest aggregate to ` NIL (Previous Year ` 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) A.M. Industries Ltd
- iv) Ashmani Developers Limited
- v) Bengal Investments Limited
- vi) Suncity Properties P. Ltd.
- vii) Tivolipark Apartments (P) Ltd.
- viii) Tyron Agency P. Ltd.

### **b) Key Management Personnel & Relatives**

- Shri Ashok Kumar Poddar (Executive Chairman))
- Shri Manish Poddar (Managing Director)

# BUDGE BUDGE COMPANY LIMITED

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

Smt. Madhushree Poddar (Director)

Smt. Divya Poddar

Miss Vasavi Poddar

Shri D. V. Singhi

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

Ripon Estates Ltd.

**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>2014-15</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2013-14</u>
i) Managerial Remuneration	4821013	4614499	—	—
ii) Payment to Raw Jute Creditors	—	—	42216647	432434713
iii) Payment to Stores Creditors	—	—	—	—
iv) Purchase of Raw Materials	—	—	412934607	425565210
v) Loans Given	—	—	2280529	3160000
vi) Advances Given	—	—	19559148	59368468
vii) Interest Received	—	—	1721183	398302
viii) Advances Received	₹ —	—	17240000	23768861
ix) Reimbursement of Expenses	—	—	—	591750
x) Outstanding Payable As On 31.03.2015	—	—	177657759	187084799
xi) Outstanding Receivable As On 31.03.2015	—	—	35174228	28019429

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
<b>Segment Revenue</b>						
From External Customers	Nil	Nil	Nil	Nil	Nil	Nil
<b>Segment Assets</b>	1310860450	1250907952	Nil	Nil	1310860450	1250907952

# BUDGE BUDGE COMPANY LIMITED

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

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

	<u>2014-15</u>	<u>2013-14</u>
Profit/(Loss) After Tax	(5897877)	26583670
Weighted average number of Equity Shares of Rs. 10 Each fully paid up	6382151	6382151
Earning Per Share( in Rs.) (Basic & Diluted)	<u>(0.92)</u>	<u>4.17</u>

41. Effective 1st April, 2014, depreciation has been calculated in accordance with Schedule II of the Companies Act, 2013, considering the useful life of respective assets as specified therein, the effect of which is as follows :-

- a) Depreciation for the year is lower and profit before tax is higher by Rs. 53,85,324/-.
- b) On account of transitional provisions of the said Schedule II, a sum of Rs. 7,03,682/- (net of deferred tax assets of Rs. 3,21,500/-) has been recognised in the general reserve in respect of fixed assets whose remaining useful life as on 1st April, 2014 is Rs. Nil.

42. The Company has made a provision of Rs. 9,46,450/- in its books of accounts shown under the head of Miscellaneous Expenses towards contributions for Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013. The amount earmarked for CSR activities in the financial year 2014-15 will be incurred in the financial year 2015-16 for activities specified in Schedule VII of the Companies Act, 2013.

### 43. Expenditure in Foreign Currency :

	For the year ended 31.03.15	For the year ended 31.03.14
	Rs.	Rs.
Travelling Expenses	2453052	2619865

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, 2015	For JAIN & CO. Chartered Accountants Registration No. 302023E M. K. JAIN Partner 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, 2015

	As at 31.03.2015	(Amount in ) As at 31.03.2014
<b>A) CASH FROM OPERATING ACTIVITIES</b>		
<b>Net profit/loss before tax &amp; extra ordinary items</b>	(4062712)	37481159
<b>Adjustments for :</b>		
Depreciation	14640069	18651750
Interest Paid	29965394	21365360
Rent Received	(15811326)	(7984125)
Dividend Income	(287707)	(1014583)
Interest Received	(6006534)	(3574390)
Profit / (Loss) on Sale of Fixed Assets	(1652375)	(1351290)
Profit on Sale of Investments (Net)	(1334963)	(69948)
	19512558	26022774
<b>Net Profit/Loss before working capital changes</b>	15449846	63503933
<b>Adjustment for :</b>		
Trade & Other Receivables	3959345	(25720166)
Inventories	97465409	(43043203)
Net Increase / Decrease in Other Loans & Advances	(58231189)	14621300
Net Increase / Decrease in Current/ Non Current Liabilities	₹ 15236989	21705901
	58430554	(32436168)
<b>Cash generated from operating activities</b>	73880400	31067765
Direct Taxes Paid (Net of Refund)	(2947471)	(10936545)
<b>Cash Flow before Extra Ordinary Items</b>	70932929	20131220
Extra Ordinary Items	—	—
<b>NET CASH FROM OPERATING ACTIVITIES</b>	70932929	20131220
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(41048210)	(91824986)
Subsidy Received	5670658	7345200
Purchase of Investments	(35960048)	(14097166)
Sale of Fixed Assets	2187000	2185000
Sale of Investment	3878733	10669439
Dividend Income	287707	1014583
Rent Received	15811326	7984125
Interest Received	6006534	3574390
<b>NET CASH FROM INVESTING ACTIVITIES</b>	(43166300)	(73149415)

# BUDGE BUDGE COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

	As at 31.03.2015	(Amount in ) As at 31.03.2014
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	17463667	38658423
Proceeds from Short Term Borrowings	(31371004)	38170616
Proceeds from Issue of Equity Shares	30000000	—
Interest Paid	(29965394)	(21365360)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	(13872731)	55463679
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	13893898	2445484
<b>OPENING CASH &amp; CASH EQUIVALENTS</b>	22317470	19871986
<b>CLOSING CASH &amp; CASH EQUIVALENTS</b>	36211368	22317470

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

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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, 2015

ASHOK KUMAR PODDAR, *Chairman*

MANISH PODDAR, *Mg. Director*

D. V. SINGHI, *Secretary*

P. K. GHORAWAT, *Chief Financial Officer*