

Balance Sheet as at 31st March, 2019

(All amounts ₹ in Lacs, unless otherwise sated)

	Note	As at 31 March, 2019	As at 31 March, 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Equity and liabilities			
Shareholders' funds			
Share capital	2	1,820.80	1,820.80
Reserves and surplus	3	21,095.84	16,199.27
	-	22,916.64	18,020.07
Non-current liabilities			
Long-term borrowings	4	8,200.35	13.14
Long-term provisions	5	44.43	32.40
		8,244.78	45.54
Current liabilities			
Short-term borrowings	7	4,495.57	70,763.63
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		26.21	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8	53,478.08	27,788.66
Other current liabilities	9	7,031.25	4,425.80
Short-term provisions	5	42.12	3.55
		65,073.23	102,981.64
Total		96,234.65	121,047.25
ASSETS			
Non-current assets			
Property, plant and equipment - tangible assets	10	5,322.13	5,736.98
Capital work-in-progress	11	9,549.66	405.37
Non-current investments	12	4,604.60	4,246.86
Deferred tax assets, net	13	8.74	26.42
Long-term loans and advances	14	3,745.95	2,545.01
Other non-current assets	15	1,716.36	1,104.33
		24,947.44	14,064.97
Current assets			
Inventories	16	42,505.68	24,645.99
Trade receivables	17	7,960.49	4,088.78
Cash and bank balances	18	14,513.97	70,534.91
Short-term loans and advances	14	5,779.55	7,108.20
Other current assets	15	527.52	604.40
		71,287.21	106,982.28
Total		96,234.65	121,047.25

Notes 1 to 37 form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(**Vikram Dhanania**)
Partner
Membership No. 060568

Place: Kolkata
Date: 20th September, 2019

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027

Statement of Profit & Loss for the year ended on 31st March, 2019

(All amounts ₹ in Lacs, unless otherwise stated)

	Note	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Revenue			
Revenue from operations, gross	19	223,739.83	143,663.79
Less : Excise duty		-	(80.53)
Revenue from operations, net		223,739.83	143,583.26
Other income	20	1,542.62	2,360.89
Total revenue		225,282.45	145,944.15
Expenses			
Cost of materials consumed	21	137,567.19	114,820.66
Purchases of stock in trade	22	66,817.87	13,729.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(2,034.27)	(6,818.63)
Employee benefits expense	24	1,131.27	1,067.89
Finance costs	25	4,694.03	4,043.02
Depreciation expense	10	455.50	499.37
Other expenses	26	9,871.41	11,373.49
Total expenses		218,503.00	138,715.58
Profit before tax		6,779.45	7,228.57
Tax expense			
Current tax		1,817.98	2,018.77
Deferred tax expense/(benefit)		17.68	(577.68)
Income tax for earlier years (net)		47.22	-
		1,882.88	1,441.09
Profit after tax		4,896.57	5,787.48
Earnings per equity share			
Basic and diluted	27	26.89	31.79

Notes 1 to 37 form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(**Vikram Dhanania**)
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Financial Statements

Cash Flow Statement For the year ended on 31st March, 2019

(All amounts ₹ in Lacs, unless otherwise sated)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
A. Cash flow from operating activities :		
Profit before tax	6,779.45	7,228.57
Adjustment for :		
Depreciation expense	455.50	499.37
Finance costs	4,694.03	4,043.02
Unrealized foreign exchange loss	68.01	396.65
Interest income	(766.29)	(733.83)
Sundry balances written back	(2.65)	(12.25)
Bad debts written off	8.96	-
Provisions for bad debts	-	103.43
Loss on sale of property, plant and equipment, net	-	1.70
Dividend income	-	(883.37)
Gain from sale of investments	-	(642.48)
Operating profit before working capital changes	11,237.01	10,000.81
Adjustments for changes in working capital:		
Increase in inventories	(17,859.69)	(18,427.22)
(Increase)/decrease in trade receivables	(1,024.00)	629.26
(Increase)/decrease in loans and advances	(2,152.33)	991.35
(Increase)/decrease in other assets	(120.45)	25.38
Increase in provisions	14.57	20.26
Increase in trade payable	25,647.62	17,061.31
(Decrease)/increase in other current liabilities	(185.69)	626.87
Cash generated from operations	15,557.04	10,928.02
Income taxes paid (net of refunds)	(1,244.37)	(2,047.97)
Net cash generated from operating activities (A)	14,312.67	8,880.05
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(9,160.99)	(3,027.94)
Proceeds from sale of property, plant and equipment	-	3.00
Advance paid for purchase of equity shares	(1,274.60)	-
Purchase of investments	(357.74)	(5,297.69)
Sale of investments	-	4,880.75
Loans given (net of repayments received)	3,126.99	(2,905.49)
Dividend received	-	883.37
Decrease in deposits with bank	58,507.53	8,889.01
Interest received	801.44	1,097.35
Net cash generated from investing activities (B)	51,642.63	4,522.36
C. Cash flow from financing activities		
Proceeds from/(repayment of) short-term borrowings (net)	(66,268.06)	(9,415.98)
Proceeds from long-term borrowings	8,215.03	7.94
Repayment of long-term borrowings	(18.54)	(5.19)
Interest paid	(4,790.14)	(3,981.19)
Net cash generated used in financing activities	(62,861.71)	(13,394.42)
Net increase in cash and cash equivalents (A+B+C)	3,093.59	7.99
Cash and cash equivalents as at the beginning of the year	106.84	98.85
Cash and cash equivalents as at the end of the year	3,200.43	106.84
Note		
Cash and bank balances as per Note 18	14,513.97	70,534.91
Less: Other bank balances	11,313.54	70,428.07
Cash and cash equivalents considered for cash flow	3,200.43	106.84

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

For and on behalf of the Board of Directors of
Budge Budge Refineries Limited

For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

Place: Kolkata
Date: 20 September, 2019

(**Vikram Dhanania**)
Partner
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Summary of significant accounting policies and other explanatory information

1. Summary of Significant accounting policies

1.1 Company overview

Budge Budge Refineries Limited ("the Company" or "BBRL") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of edible oil trading and manufacturing.

1.2 Basis of preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the mandatory Accounting Standards ("AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act and pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

1.3 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management of the Company to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and the results of operation during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Significant estimates used by the management in the preparation of these financial statements include the estimates of the economic useful lives of property, plant and equipment, provision for doubtful debts, advances and employee benefits.

1.4 Property, plant and equipment

Property, plant and equipment ("PPE") are stated at cost less accumulated depreciation and impairment losses. The cost of PPE comprises of its purchase price and other costs attributable to bring such assets to its working condition for its intended use. Advances paid towards the acquisition of PPE outstanding at each balance sheet date are

disclosed as capital advances and the cost of PPE not ready for their intended use before such date are disclosed as capital work-in-progress.

1.5 Depreciation

Depreciation on PPE is provided on straight line method over the useful lives of assets prescribed under Schedule II of the Act. In respect of additions, depreciation is provided on pro-rata basis from the date of acquisition/installation. Written down value of all assets acquired prior to 1 April 2014 are being depreciated over their remaining useful life as prescribed in Schedule II of the Act, except in case of plant and machinery which are being depreciated over a useful life of 12 years based on technical evaluation.

1.6 Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.7 Inventories

Inventories are valued at lower of cost or net realisable value, i.e. the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The costs of raw materials, work-in-progress, finished goods, traded goods and stores and spares in general are ascertained under first in first out method (FIFO). The cost includes expenditure incurred in the normal course of business in bringing such inventories to its location which includes purchase price, non-refundable taxes, delivery and handling costs.

1.8 Investments

Investments that are readily realizable and intended to be held for not more than a year and current maturities of long-term investments are classified as current investments. All other investments are classified as long-term investments. Current investments are carried 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 long-term investments.

Summary of significant accounting policies and other explanatory information

1.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of products: Revenue from sale of products is recognized in the accounts on passing of title to the goods. Gross sales are inclusive of excise duty but are net of trade discounts, where applicable.

Dividend: Dividend income is recognized and accounted for when the right to receive payment is established.

Interest Income: Interest income is recognised using the time proportion method, based on interest rates implicit in the transaction.

Insurance claim: Insurance claim lodged with the insurance companies are accounted for on accrual basis, to the extent these are measurable and ultimate collection is reasonably certain.

Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

1.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments at the time of purchase with a original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.11 Foreign Currency Transactions

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

Exchange differences in respect of all monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/losses arising there from are adjusted to the Statement of Profit and Loss, except those covered by forward contracted rates where the premium or discount arising at the inception of such forward exchange contract is amortized as expense or income over the life of the contract. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

1.12 Forward and options contracts in foreign currencies

The Company uses foreign exchange forward and option contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward and options contracts reduces the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

Forward and options contracts are fair valued at each reporting date. The Company designates certain forward

exchange and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions. The Company records the gain or loss on effective hedges, if any, in the cash flow hedging reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of that period. To designate a forward or options contract as an effective hedge, the Management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract and subsequently whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. Changes in the fair value relating to the ineffective portion of the hedges and derivative instruments that do not qualify or have not been designated for hedge accounting are recognized in the Statement of Profit and Loss. Net forex loss on currency transactions and translation are netted off from hedging gain/loss.

1.13 Employee Benefits

(a) Short term benefits

All employee benefits falling due wholly within 12 months of rendering services are classified as short term employee benefits like salaries, wages and short-term compensated absences and are recognised as expenses in the period in which the employee renders the related services.

(b) Post employment benefits

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognised in the balance sheet represents the present value of defined benefit obligation at the balance sheet date less fair value of plan assets, if any. The defined benefit obligation is computed annually by an independent actuary, using projected unit credit method.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses arises.

(c) Other long-term employment benefits

Compensated absences

Liability in respect of compensated absences

Summary of significant accounting policies and other explanatory information

becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed after one year of the balance sheet date is estimated on the basis of actuarial valuation as at the balance sheet date in a manner similar to gratuity.

1.14 Taxes on Income

(a) Current Tax

Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of the Income-tax Act, 1961 ("IT Act"). The Company account for tax credit in respect of Minimum Alternate Tax ("MAT") in situations where the MAT payable is higher than tax payable under normal provisions of the IT Act and where there is a reasonable certainty of adjusting such credit in future years. The credit so availed is adjusted in future years when the tax under normal provisions is higher than MAT payable to the extent of the said difference.

(b) Deferred Tax

Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/ virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.15 Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair values of the leased property and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of interest. Finance charges are recognized as finance costs in

the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized. A leased asset is depreciated on a straight line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. Leases where the lessor effectively retains, substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on straight-line basis over the lease term.

1.16 Earnings per equity share (EPS)

Basic earnings per equity share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purposes of diluted earnings per equity share, the net profit or loss for the year 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.

1.17 Provisions, contingent liabilities and contingent assets

- (a) A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.
- (b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.
- (c) Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which the change occurs.

Summary of significant accounting policies and other explanatory information

2. SHARE CAPITAL

(All amounts ₹ in Lacs, unless otherwise stated)

Share Capital	31/03/2019		31/03/2018	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of ₹10 each	20,000,000	2,000.00	20,000,000	2,000.00
Total	20,000,000	2,000.00	20,000,000	2,000.00
Issued, subscribed and fully paid up				
Equity Shares of ₹10 each	18,208,000	1,820.80	18,208,000	1,820.80
Total	18,208,000	1,820.80	18,208,000	1,820.80

i) Reconciliation of Equity shares Capital

Particulars	31/03/2019		31/03/2018	
	Number	Amount	Number	Amount
Balance at the beginning of the year	18,208,000	1,820.80	18,208,000	1,820.80
Add : Issue of bonus shares	-	-	-	-
Balance at the end of the year	18,208,000	1,820.80	18,208,000	1,820.80

- ii) The Company had issued 6,828,000 equity shares of ₹ 10 each without payment being received in cash during the period of 5 years immediately preceding the reporting date.

iii) Details of Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	Number	Holding %	Number	Holding %
Equity shares of ₹10 each				
Gaylord Sales Private Limited	2,040,000	11.20 %	2,040,000	11.20 %
Altius Builders Private Limited	2,933,040	16.11 %	2,933,040	16.11 %
A.V. Commercial Company Private Limited	1,518,650	8.34 %	1,518,650	8.34 %
Valley Distributors LLP	1,234,240	6.78 %	1,234,240	6.78 %
DKO Trading Company LLP	1,247,200	6.85 %	1,247,200	6.85 %
Kremer Mercantile Private Limited	2,233,600	12.27 %	2,233,600	12.27 %
Vista BPO Private Limited	2,238,400	12.29 %	2,238,400	12.29 %
Jupiter Dealtrade Private Limited	2,584,000	14.19 %	2,584,000	14.19 %

iv) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Summary of significant accounting policies and other explanatory information

3. RESERVES AND SURPLUS

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
i) Capital reserves		
Balance at the beginning of the year	150.00	150.00
Balance at the end of the year	150.00	150.00
ii) Securities premium account		
Balance at the beginning of the year	2,714.26	2,714.26
Balance at the end of the year	2,714.26	2,714.26
iii) General reserve		
Balance at the beginning of the year	4,042.72	4,042.72
Balance at the end of the year	4,042.72	4,042.72
iv) Cash flow hedge reserve		
Balance at the beginning of the year	-	-
Add : Changes in fair value of effective portion of derivatives	3281.26	-
Less : Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions		
- Realised (gain)/loss during the year	(3,147.30)	-
- Unrealised gain during the year	(133.96)	-
Balance at the end of the year	-	-
v) Surplus in the Statement of profit and loss		
Balance at the beginning of the year	9,292.29	3,504.81
Add : Profit for the year	4,896.57	5,787.48
Balance at the end of the year	14,188.86	9,292.29
	21,095.84	16,199.27

4. LONG-TERM BORROWING

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured		
Term Loans from banks	46.74	22.40
Less: Current maturities of long-term borrowings (refer Note 9)	(18.54)	(9.26)
Unsecured		
From body corporates	8,172.15	-
	8,200.35	13.14

a) Name of Security and terms of repayment for long-term borrowings:

Name	Amount Outstanding (₹)	Nature of Security	Terms of repayment
i) Term loans from banks (Vehicle loans)	46.74	Secured by way of hypothecation of the respective vehicles financed there against.	The loans are repayable within the range of 36 to 60 months and carries interest rate ranging from 8.50 % to 9.50 %

b) Unsecured loans

Unsecured loan taken from body corporates carry interest ranging from 9 % to 12 % p.a. and are repayable after 12 months.

Summary of significant accounting policies and other explanatory information

5. PROVISIONS

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Long-Term	Short-Term	Long-Term	Short-Term
Provision for employee benefits				
- gratuity (refer Note 6)	32.95	5.31	25.09	2.86
- compensated absences	11.48	0.78	7.31	0.69
Provision for income tax (net of advance taxes)	—	36.03	—	—
	44.43	42.12	32.40	3.55

6. EMPLOYEE BENEFITS

Defined Benefit Plans - As per Actuarial Valuations as on 31 March 2019 and recognised in the financial statements in respect of Employee Benefit Schemes (gratuity):

Particulars	As at 31 March, 2019	As at 31 March, 2018
i) Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	27.95	9.32
Service cost	9.68	5.20
Interest cost	2.13	0.71
Actuarial (gain)/loss (net)	(0.95)	13.06
Benefits paid	(0.55)	(0.34)
Projected benefit obligation at the end of the year	38.26	27.95
ii) Change in plan assets		
Employer contributions	0.55	0.34
Benefits paid	(0.55)	(0.34)
Fair value of plan assets at the end of the year	-	-
iii) Reconciliation of present value of obligation on the fair value of plan assets		
Present value of projected benefit obligation at the end of the year	38.26	27.95
Funded status of the plans	-	-
Liability recognised in the balance sheet	38.26	27.95
iv) Components of employer expenses		
Service cost	9.68	5.20
Interest cost	2.13	0.71
Recognized net actuarial loss/(gain)	(0.95)	13.06
Total expense recognised in the Statement of profit and loss	10.86	18.97
Net Gratuity expenses have been recognised in "Contribution to Provident and other funds" under Note 24.		
v) Key actuarial assumptions		
Discount rate	7.70 %	7.75 %
Long-term rate of compensation increase	6.00 %	6.00 %
Rate of return on plan assets	0.00 %	0.00 %
Withdrawal rates, based on age (per annum)		
Upto 25 years	8.00 %	8.00 %
26 to 30 years	7.00 %	7.00 %
31 to 35 years	6.00 %	6.00 %
36 to 40 years	5.00 %	5.00 %
41 to 45 years	4.00 %	4.00 %
46 to 50 years	3.00 %	3.00 %
51 to 55 years	2.00 %	2.00 %
Above 56 years	1.00 %	1.00 %

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards. The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant facts.

vi) Table for 5 years actuarial valuation disclosures for Gratuity

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	31 March 2019	31 March 2018	31 March 2017	31 March 2016	31 March 2015
Defined benefit obligation	38.26	27.95	9.32	7.91	4.24
Plan assets	-	-	-	-	-
Deficit	38.26	27.95	9.32	7.91	4.24
Net actuarial loss/(gain) recognized	(0.95)	13.06	0.82	0.82	-

vi) The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952. This is post-employment benefit and is in the nature of defined contribution plan. Contribution made by the Company during the year is ₹ 21.74 lacs (31 March 2018: ₹ 21.60 lacs).

Summary of significant accounting policies and other explanatory information

7. SHORT-TERM BORROWING

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured		
From Banks		
Buyer's credit	-	38,676.01
Cash credit and overdraft facility	3,534.13	2,564.45
Working capital demand loan (WC DL)	961.44	29,518.17
Unsecured		
From body corporates	-	5.00
	4,495.57	70,763.63

Terms and conditions**Security**

Short-term borrowings are secured by a first ranking pari-passu charge on current assets and property, plant and equipment of the Company (present and future) and personal guarantees of directors of the Company.

Working capital demand loan are secured by way of pledge of fixed deposits.

Bank overdraft facility is secured by way of pledge of bonds.

Rate of Interest

Cash Credit facilities - 8.25 % p.a. to 12.25 % p.a. (31 March 2018: 8.15 % p.a. to 12.25 % p.a.)

WC DL (Indian currency) - 8 % p.a. to 9 % p.a. (31 March 2018: 6 % p.a. to 8 % p.a.)

Unsecured loans

Unsecured loan taken from a body corporate carried interest of 12 % p.a. and is repayable within 12 months.

8. TRADE PAYABLES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Micro and small enterprises (refer note below)	26.21	-
Dues to others (*)	53,478.08	27,788.66
	53,504.29	27,788.66

(*) Dues to others includes creditors for goods-in-transit amounting to ₹ 21,712.98; (31 March 2018 - ₹ 6,507.40)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	26.21	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006:-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.31	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006:-	-	-

9. OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Current maturities of long term borrowings (refer Note 4)	18.54	9.26
Interest accrued but not due on borrowings	251.34	347.45
Advance from customers	3,618.07	761.40
Capital creditors	53.44	29.49
Unamortised premium on forward contracts	280.02	39.79
Statutory dues	1,532.48	1,564.31
Liabilities for expenses	704.83	308.37
Security deposits	-	12.50
Employee dues	531.56	574.53
Dues to brokers for hedging transactions	0.45	778.57
Other payables	40.52	0.13
	7,031.25	4,425.80

Summary of significant accounting policies and other explanatory information

10. PROPERTY, PLANT AND EQUIPMENT - TANGIBLE ASSETS

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	Freehold land	Buildings	Plant & Machinery	Storage Tanks	Furniture and Fixtures	Computers	Vehicles	Office Equipments	Total
Gross block									
Balance as at 1 April 2017	907.18	1,761.16	5,188.90	820.38	22.60	26.83	37.91	19.75	8,784.71
Additions	-	111.23	625.92	0.30	2.90	0.59	29.30	1.94	772.18
Disposals	-	-	-	-	-	-	(9.99)	-	(9.99)
Balance as at 31 March 2018	907.18	1,872.39	5,814.82	820.68	25.50	27.42	57.22	21.69	9,546.90
Additions	-	-	-	-	-	0.16	39.60	0.89	40.65
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	907.18	1,872.39	5,814.82	820.68	25.50	27.58	96.82	22.58	9,587.55
Accumulated depreciation									
Up to 1 April 2017	-	542.57	2,409.69	309.37	15.74	19.46	4.81	14.20	3,315.84
Depreciation charge	-	61.71	390.95	28.94	1.50	5.71	7.39	3.17	499.37
Reversal on disposal of assets	-	-	-	-	-	-	(5.29)	-	(5.29)
Up to 31 March 2018	-	604.28	2,800.64	338.31	17.24	25.17	6.91	17.37	3,809.92
Depreciation charge	-	69.20	343.85	28.95	1.22	1.15	8.92	2.21	455.50
Reversal on disposal of assets	-	-	-	-	-	-	-	-	-
Up to 31 March 2019	-	673.48	3,144.49	367.26	18.46	26.32	15.83	19.58	4,265.42
Net block									
As at 31 March 2018	907.18	1,268.11	3,014.18	482.37	8.26	2.25	50.31	4.32	5,736.98
As at 31 March 2019	907.18	1,198.91	2,670.33	453.42	7.04	1.26	80.99	3.00	5,322.13

Summary of significant accounting policies and other explanatory information

11. CAPITAL WORK IN-PROGRESS

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	405.37	112.17
Add:- Additions during the year	9,144.29	1,030.53
Less:- Capitalised during the year	-	(737.33)
Balance at the end of the year	9,549.66	405.37

12. NON-CURRENT INVESTMENTS (NON-TRADE)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) In equity instruments (non-trade, unquoted) 134,372 (31 March 2018: Nil) equity shares of ₹10 each fully paid in Hindustan Storage & Distribution Company Limited	357.43	-
	357.43	-
(b) In Bonds (quoted) 420 (31 March 2018:420) units of Yes Bank Ltd. 9.50 % (Face Value ₹1,000,000) (*)	4,239.69	4,239.69
	4,239.69	4,239.69
(c) Other investments (Unquoted) Sovereign gold bond scheme Other investments (#) Gold coins	0.31 0.07 7.10	- 0.07 7.10
	7.48	7.17
Total Investments	4,604.60	4,246.86

(*) pledged with banks against short-term borrowings

#) pledged with government authorities

13. DEFERRED TAX ASSETS NET

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred tax assets		
Provision for employee benefits	12.83	12.44
Expenses allowable on payment basis	377.40	514.64
Provision for doubtful debts	26.49	36.12
	416.72	563.20
Deferred tax liabilities		
Timing difference on written down value of property, plant and equipment	407.97	536.78
	407.97	536.78
Deferred tax assets (net)	8.74	26.42

14. LOANS & ADVANCES (Unsecured considered good, unless otherwise stated)

PARTICULARS	As at 31 March, 2019		As at 31 March, 2018	
	Long Term	Short Term	Long Term	Short Term
Capital advances	3,701.38	-	2,426.78	-
Advance to suppliers	-	754.37	-	337.21
Advance to employees	-	46.71	-	45.77
Loan to bodies corporate	-	399.30	-	3,526.29
Security deposits	44.57	211.41	14.89	1,383.71
Receivable from brokers for hedging transactions	-	651.84	-	64.99
Advance income tax (net of provisions)	-	-	103.34	324.31
Insurance claim receivable	-	259.09	-	205.06
Balances with government authorities	-	3,433.22	-	1,217.57
Others	-	23.61	-	3.29
	3,745.95	5,779.55	2,545.01	7,108.20

Summary of significant accounting policies and other explanatory information

15. OTHER ASSETS

(All amounts ₹ in Lacs, unless otherwise stated)

PARTICULARS	As at 31 March, 2019		As at 31 March, 2018	
	Non-current	Current	Non-current	Current
Bank deposits with maturity of more than 12 months (*)	1,707.00	-	1,100.00	-
Interest accrued on				
- fixed deposits	-	149.01	4.33	277.41
- bond	-	97.12	-	99.75
- loans given	-	5.51	-	76.43
Prepaid expenses	9.36	89.37	-	32.80
DEPB license in hand	-	186.51	-	118.01
	1,716.36	527.52	1,104.33	604.40

(*) Placed as margin money against short-term borrowings availed by the Company.

16. INVENTORIES

(valued at lower of cost and net realisable value)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Raw material [Refer Note (a) below]	30,782.69	15,223.88
Work-in-progress	312.51	256.95
Finished goods [Refer Note (b) below]	8,479.52	5,095.38
Packing material	352.70	274.98
Stock-in-trade	2,146.09	3,551.52
Stores and spares	432.17	243.28
	42,505.68	24,645.99

Note

1. Raw material stock includes goods-in-transit ₹21,712.98; (31 March 2018 - ₹6,507.40)
2. Finished goods stock includes goods-in-transit ₹510.79; (31 March 2018 - ₹272.53)

17. TRADE RECEIVABLES (Unsecured)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Debts outstanding for a period exceeding six months from the date they are due for payment		
Considered good	110.13	107.20
Considered doubtful	104.36	104.36
	214.49	211.56
Less: Provision for doubtful debts	104.36	104.36
	110.13	107.20
Other debts		
Considered good	7,850.36	3,981.58
	7,960.49	4,088.78

18. CASH AND BANK BALANCES

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash and cash equivalents		
Cash on hand	5.93	8.98
Balances with banks		
- current accounts	639.50	97.86
- deposit accounts (with original maturity less than 3 months)	2,555.00	-
Other bank balances		
Bank deposits having remaining maturity for more than 3 months but less than 12 months (*)	11,313.54	70,428.07
	14,513.97	70,534.91

(*) Includes deposits aggregating to ₹10,053.45 lacs (31 March 2018 - ₹66,703.70) placed as margin money against short-term borrowings availed by the Company.

Summary of significant accounting policies and other explanatory information

19. REVENUE FROM OPERATIONS

(All amounts ₹ in Lacs, unless otherwise sated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Sale of products		
- Manufactured goods	152,298.94	126,984.52
- Traded goods	68,407.03	11,061.61
Revenue from operations (gross)	220,705.97	138,046.13
Less : Excise duty	-	(80.53)
Revenue from operations (net)	220,705.97	137,965.60
Other operating revenue	3,033.86	5,617.66
	223,739.83	143,583.26

20. OTHER INCOME

Particulars	As at 31 March, 2019	As at 31 March, 2018
Interest income on		
- bonds	399.00	304.17
- loans	210.14	427.29
- IT refund	157.15	-
- others	-	2.37
Gain from sale of investments	-	642.48
Dividend income	-	883.37
Net gain on foreign currency transactions and translation	696.91	-
Insurance claim	72.44	52.82
Sundry balances written back	2.65	12.25
Other miscellaneous income	4.33	36.14
	1,542.62	2,360.89

21. COST OF MATERIALS CONSUMED

Particulars	As at 31 March, 2019	As at 31 March, 2018
Opening stock	15,223.88	3,434.11
Add: Purchases during the year	153,126.00	126,610.43
Less : Closing stock	30,782.69	15,223.88
	137,567.19	114,820.66
Details of raw materials and components consumed		
Crude plam oil	94,531.19	78,914.03
Refined palm oil	40,513.17	33,354.56
Others	2,522.83	2,552.07
	137,567.19	114,820.66

b. Value of imported and indigenous raw materials, stores and spare parts consumed

Particulars	Year ended 31 March 2019		Year ended 31 March, 2018	
	Amount	% of consumption	Amount	% of consumption
Raw materials				
Imported	104,193.35	75.74	110,930.19	96.61
Indigenous	33,373.84	24.26	3,890.47	3.39
	137,567.19	100.00	114,820.66	100.00
Stores and spare parts				
Imported	-	-	-	-
Indigenous	711.05	100.00	537.40	100.00
	711.05	100.00	537.40	100.00

Summary of significant accounting policies and other explanatory information

22. PURCHASES OF STOCK IN TRADE

(All amounts ₹ in Lacs, unless otherwise sated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Crude palm oil	40,776.98	5,416.21
Refined palm oil	10,196.91	4,007.16
Sunflower Oil	13,977.83	2,026.58
Stearine	433.91	-
Others	1,432.24	2,279.83
	66,817.87	13,729.78

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	As at 31 March, 2019	As at 31 March, 2018
Opening stock		
- Finished goods (including stock in transit)	5,095.38	1,730.01
- Work-in-progress	256.95	355.21
- Stock-in-trade	3,551.52	-
	8,903.85	2,085.22
Less: Closing stock		
- Finished goods (including stock in transit)	8,479.52	5,095.38
- Work-in-progress	312.51	256.95
- Stock-in-trade	2,146.09	3,551.52
	10,938.12	8,903.85
	(2,034.27)	(6,818.63)

24. EMPLOYEE BENEFITS EXPENSE

Particulars	As at 31 March, 2019	As at 31 March, 2018
Salaries and bonus/allowances	1,080.33	1,012.69
Contribution to provident and other funds	32.96	41.23
Staff welfare expenses	17.98	13.97
	1,131.27	1,067.89

25. FINANCE COSTS

Particulars	As at 31 March, 2019	As at 31 March, 2018
Interest on:		
- cash credit and working capital demand loan	1,631.23	520.23
- buyer's credit	1,488.17	1,488.83
- others	5.58	48.82
Other borrowing costs:		
Forward premium amortized	1,086.70	1,558.55
Processing fees and others	482.35	426.59
	4,694.03	4,043.02

Summary of significant accounting policies and other explanatory information

26. OTHER EXPENSES

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Consumption of stores and spare parts	711.05	537.40
Consumption of packing material	4,306.49	3,835.47
Labour processing and transportation charges	181.21	173.99
Other manufacturing expenses	59.25	57.37
Power and fuel	1,694.53	1,276.24
Repairs and maintenance		
- Plant and machinery	93.26	74.83
- Others	40.43	53.53
Legal and professional fees	73.09	70.90
Director sitting fees	1.80	-
Bank charges	9.44	59.43
Rates and taxes	333.11	297.02
Rent	15.51	12.79
Security charges	70.57	56.58
Freight and forwarding expenses	1,689.33	1,508.06
Sales promotion expenses	365.70	414.08
Insurance	18.22	115.93
Corporate social responsibility expenses (refer Note 28)	8.00	45.00
Travelling and conveyance	108.21	46.73
Payment to auditor (refer note below)	15.03	14.00
Net loss on foreign currency transactions and translation	-	2,409.74
Loss on sale of property, plant and equipment (net)	-	1.70
Bad debts written off	8.96	-
Provision for doubtful debts	-	103.43
Prior period expenses	-	148.66
Miscellaneous expenses	68.22	60.61
	9,871.41	11,373.49
Note:		
Payment to auditors		
For statutory audit	12.50	12.50
For tax audit	1.50	1.50
For other services	0.65	-
Reimbursement of expenses	0.38	-
	15.03	14.00

27. EARNING PER EQUITY SHARE (EPS)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Net profit after tax	4,896.57	5,787.48
Weighted average number of equity shares	18,208,000	18,208,000
Basic and diluted earnings per equity share (face value of ₹10 each)	26.89	31.79

28. DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Gross amount required to be spent during the year:	89.30	44.42
(b) Amount spent during the year on purposes other than construction/acquisition of any asset		
Paid	8.00	15.00
Yet to be paid	-	30.00

Summary of significant accounting policies and other explanatory information

29. CONTINGENT LIABILITIES

(All amounts ₹ in Lacs, unless otherwise stated)

Particulars	As at 31 March, 2019	As at 31 March, 2018
In respect of		
- Excise duty matters	172.27	172.26
- Sales tax matters	105.14	449.76
- Income tax matters	53.78	53.78
- Corporate Guarantee provided to CESC towards electricity charges	150.00	100.00
	481.19	775.80

The Hon'ble supreme court has in a recent decision dated 28 February 2019, ruled that special allowance would form part of basic wages for computing the provident fund contribution. Management believes that there are numerous interpretative issues on inclusion of special allowances for the purpose of provident fund contribution as well as its applicability of effective date. While the Company is evaluating the implications of the order, the amount is not determinable as no reliable estimate can be made.

30. DERIVATIVE INSTRUMENTS

- (a) (i) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provides principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.
Outstanding short-term forward exchange contracts entered into by the Company on account of payables including forecast payables:

Particulars	As at 31 March, 2019	As at 31 March, 2018
No. of contracts	28	25.00
US Dollars equivalent (in lacs)	\$ 370.31	303.46
INR equivalent (in lacs)	27,051.05	19,992.25

- (ii) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on foreign currency exposure.

- (b) Unhedged foreign currency exposure

Particulars	Year ended 31 March 2019		Year ended 31 March, 2018	
	Foreign Currency	Amount in (₹)	Foreign Currency	Amount in (₹)
Payables				
Buyer's credit and trade payables	\$ 239.10	16,533.77	\$ 223.68	14,577.78
		16,533.77		14,577.78

31. EXPENSES IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Expenses		
Interest expense	1,741.17	1,488.83
Legal and professional fees	1.21	12.29
	1,742.38	1,501.12

32. VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	As at 31 March, 2019	As at 31 March, 2018
-Raw materials	10,504.94	8,914.03
-Capital goods	1,056.24	-
	11,561.18	8,914.03

Summary of significant accounting policies and other explanatory information

32. RELATED PARTY DISCLOSURES

(All amounts ₹ in Lacs, unless otherwise stated)

a) Name of related parties and related party relationship

Relationship	Name of the related Party
Key Management Personnel (KMP)	Harsh Agarwal - Director
	Shyam Sundar Nangalia - Director
	Manish Karwa - Company Secretary (appointed wef 14 May 2018)
	Bijay Kumar Agarwal - Director
	Ramesh Agarwal - Director
	Lakshendra Kumar Agarwal - KMP
	Shree Gopal Saraf - KMP
Relatives of KMP	Surya Agarwal
	Shivam Agarwal
	Puja Agarwal
Enterprise over which KMP have significant influence or control	Edible Products India Limited
	Ramesh Agarwal HUF
	Shree Gopal Saraf and Sons

b) Transactions with related parties

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Sale of manufactured goods		
Edible Products India Limited	1,250.74	528.37
Purchase of trading goods		
Edible Products India Limited	904.66	1,411.67
Salary and remuneration		
Shyam Sundar Nangalia	143.09	141.64
Ramesh Agarwal	117.22	94.43
Bijay Kumar Agarwal	122.39	94.43
Lakshendra Kumar Agarwal	117.59	151.72
Shree Gopal Saraf	117.22	108.10
Harsh Agarwal	18.00	7.20
Manish Karwa	3.68	-
Surya Agarwal	15.00	-
Shivam Agarwal	12.00	-
Puja Agarwal	7.20	-
Reimbursement of expenses		
Ramesh Agarwal	0.08	-
Shyam Sundar Nangalia	1.50	-
Bijay Kumar Agarwal	4.82	-
Surya Agarwal	2.27	-
Brokerage on sales		
Ramesh Agarwal HUF	4.22	-
Shree Gopal Saraf and Sons	4.50	-

c) Year-end balances with related parties

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Year-end receivables		
Edible Products India Limited	36.18	0.26
Harsh Agarwal	10.09	8.37
Surya Agarwal	0.41	-
Shivam Agarwal	0.34	-
Year-end payables		
Shyam Sundar Nangalia	114.28	141.72
Ramesh Agarwal	92.19	89.13
Bijay Kumar Agarwal	97.46	91.05
Lakshendra Kumar Agarwal	117.59	138.40
Shree Gopal Saraf	93.93	89.18

Summary of significant accounting policies and other explanatory information

(All amounts ₹ in Lacs, unless otherwise stated)

- 34 Segments has been identified in line with the Accounting Standards on Segment Reporting (AS 17), taking into account the nature of products, the different risks and returns, the organisational structure and the internal financial reporting system. The Company is engaged in the business of manufacturing and trading of edible oil. It has manufacturing location in India only. Based on dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment. The Company does not have any reportable geographical segment.
- 35 Estimated amount of capital contracts remaining to be executed and not provided for, net of advances ₹205.24 lacs (31 March 2018: ₹581.55 lacs).
- 36 In accordance with Accounting Standard (AS) 19 - 'Leases', lease payments made under cancellable operating lease amounting to ₹15.51 lacs (31 March 2018: ₹12.79 lacs) disclosed as rent and the same has been recognized as an expense in the Statement of profit and loss.
- 37 Previous year's amounts have been regrouped/ rearranged wherever considered necessary to conform with the classification of current year.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

As per our report of even date
For **Walker Chandiok & Co LLP**
Chartered Accountants
FRN - 001076N/N500013

(Vikram Dhanania)
Partner
Membership No. 060568

Place: Kolkata
Date: 20th September, 2019

For and on behalf of the Board of the Directors of
Budge Budge Refineries Limited

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027