

FY 2018-19



Budge Budge Refineries Ltd.



Company Profile

REGISTERED OFFICE & WORKS

23B A.M. Ghosh Road,
Budge Budge, 24 Parganas (S)
Kolkata-700137
West Bengal

CIN No.

U15326WB1981PLC033574

BOARD OF DIRECTORS

Mr. Shyam Sundar Nangalia (Wholetime Director)
Mr. Bijay Kumar Agarwal (Wholetime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mr. Harsh Agarwal (Wholetime Director)
Mrs. Sonu Jain (Independent Women Director)
Mr. Anup Pandey (Independent Director)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Manish Karwa

STATUTORY AUDITORS

Walker Chandiok & Co LLP
Chartered Accountants
10C, Hungerford Street, 5th Floor
Kolkata-700017, (West Bengal)

BANKERS

Andhra Bank
Allahabad Bank
HDFC Bank
Yes Bank
Axis Bank

SECRETARIAL AUDITOR

Mr. Sourav Kedia
Sourav Kedia & Associates
9/12, Lal Bazar Street, Mercantile Building
Block-B, 3rd Floor
Kolkata-700001, West Bengal

AUDIT COMMITTEE

Mr. Ramesh Agarwal (Director & CFO)
Mrs. Sonu Jain (Independent Woman Director)
Mr. Anup Pandey (Independent Director)

NOMINATION & REMUNERATION COMMITTEE

Mr. Bijay Kumar Agarwal (Wholetime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mrs. Sonu Jain (Independent Woman Director)
Mr. Anup Pandey (Independent Director)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Bijay Kumar Agarwal (Wholetime Director)
Mr. Ramesh Agarwal (Director & CFO)
Mr. Anup Pandey (Independent Director)



Budge Budge Refineries Ltd

We care for environment protection

In house green area





Budge Budge Refineries Ltd

Committed to Quality

All Raw materials ,packing materials and finished products are tested as per prescribed norms and statutory guidelines.

Quality Control - Lab Section

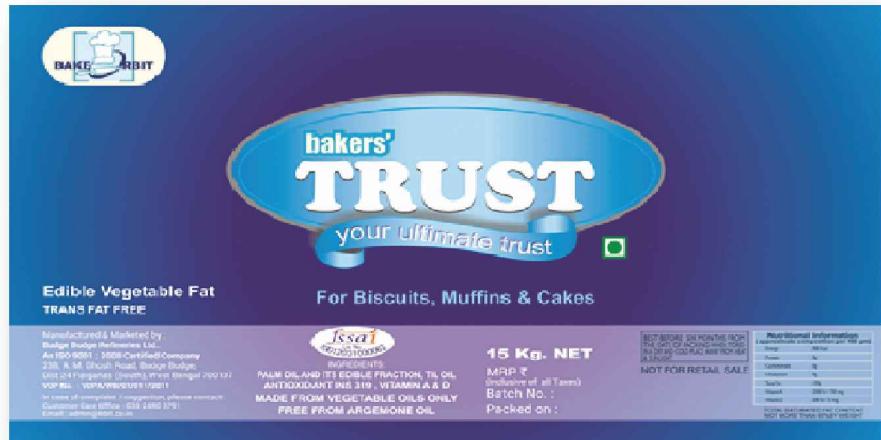
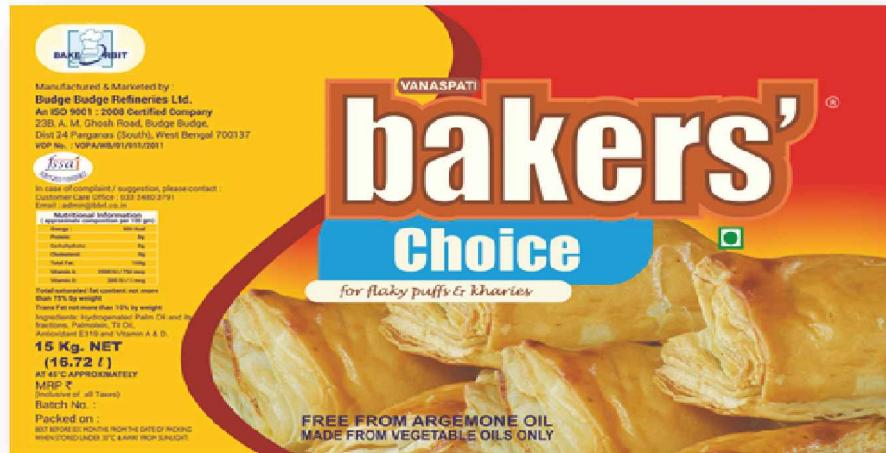




Budge Budge Refineries Ltd



Products & Packaging





Budge Budge Refineries Ltd



Products & Packaging





Budge Budge Refineries Ltd

Automatic Tin Making Plant





Budge Budge Refineries Ltd

Loading & Despatch Section



Tanker & Truck Loading Section



Tanker Loading
Section



Finished goods ready
for despatch.



Budge Budge Refineries Ltd

New Extension Project



Directors' Report

DIRECTORS' REPORT

Dear Members,

The Directors of your company have pleasure in presenting their 38th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

1. FINANCIAL RESULTS

The Financial Results for the year under review vis - a - vis the financial results for the previous year are as under:-

(₹ in Lakhs)

| PARTICULARS | During the year | For the year ended 31-3-19 | During the year | For the year ended 31-3-18 |
|------------------------------------|--------------------|-------------------------------------|-----------------------|-------------------------------------|
| Profit before Depreciation & Tax | | 7234.95 | 7727.94 | |
| Less: Depreciation | | 455.50 | 499.37 | |
| Profit/Loss before Tax | | 6779.45 | 7228.57 | |
| Provision for Taxation | | | | |
| Current Tax - for the year | 1817.98 | | 2018.77 | |
| For earlier year | 47.22 | | - | |
| Deferred Tax | 17.68 | (-)1882.88 | (577.68) | (-)1441.09 |
| Profit/Loss after Tax | | 4896.57 | | 5787.48 |
| Brought Forward from Earlier years | | 9292.29 | | 3504.81 |
| Carried Forward (Loss) / Profit | | 14188.86 | | 9292.29 |
| Appropriations: | | | | |
| Less: Dividend on Preference Share | - | - | - | - |
| DDT on Preference Share | - | - | - | - |
| Capital Redemption Reserve | - | - | - | - |
| Add: Mat Credit Entitlement | - | - | - | - |
| Balance carried to Balance Sheet | | 14188.86 | | 9292.29 |
| Earnings per Share | | 26.89 | | 31.79 |

Your Company does not have any Subsidiary Company during the year under review.

Profit of the Company during the Previous Year included ₹883.37 Lakhs on account of Dividend Income and ₹642.48 Lakhs on account of Sale of Investment. Taking the same into account operating profit has increased from ₹10,000.81 Lakhs during the Previous Year to ₹11237.01 Lakhs.

2. DIVIDEND

With a view to strengthening the financial position of the Company, your Directors have not recommended any dividend to Equity Shareholders for the Financial Year 2018-19.

3. TRANSFER TO GENERAL RESERVES

The Company has not transferred any amount to the General Reserves during the Current Financial Year.

4. STATE OF COMPANY'S AFFAIRS

The Company achieved sales of ₹2, 20,705.97 Lakhs during the year (Previous Year ₹1,37,965.60 Lakhs) which includes Resale of material of ₹68,407.03 Lakhs (Previous Year ₹ 11,061.61 Lakhs)

During the year, your management was able to enhance the sale of manufactured goods from ₹1,26,984.52 Lakhs in Previous Year to ₹1,52,298.94 Lakhs in Current Year.

Sale of Branded Material also increased to 1, 05,159.330 M.T from 92,675.824 M.T during previous year.

The Company has taken up major expansion by investing approx ₹120 Crores by putting up a new unit adjoining to the existing unit of the Company. Apart from achieving the efficiency and betterment of product mix, the same will increase the production capacity to almost double. Plant and Machinery costing approx ₹60 Crore were installed during the previous year. Most of the equipments have been installed by this time and installations of balance equipment are expected to be completed before the end of Current Financial Year. The Commercial production has started.

However import of Vegetables oils without payment of any duty through Bangladesh has created a big threat for Edible Oil Industry. Representation has been made to the Central Government and the same is under their active consideration.

Your Company has ISO 9001:2008 certification for its product quality & service.

5. CHANGES IN NATURE OF BUSINESS

There is no significant changes had been made in the nature of business of the company during the financial year.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No Material changes have been occurred subsequent to the close of the financial year of the Company to which the balance sheet relates till the date of this report.

7. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal

Directors' Report

control systems comprising of policies and procedures are designed to ensure proper financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically.

8. SUBSIDIARY/Joint Ventures/Associate Companies AND THEIR PERFORMANCE

There is no Subsidiary company or Joint Venture or Associate Companies of the Company.

9. DEPOSITS

During the financial year, Company has not accepted any type of Public deposits. Neither, any type of deposits of previous year is Unpaid or Unclaimed during the financial year.

10. AUDITORS & AUDITOR'S REPORT

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Walker Chandiok & Co. LLP (Firm Regn. No – 001076N/N500013), Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of the Thirty Sixth Annual General Meeting (AGM) of the Company held on September 29/09/2017 till the conclusion of the Forty First AGM to be held in the year 2022, subject to ratification of their appointment at every AGM.

They had given their consent to act as Auditors of the Company and have further confirmed that their appointment would be in conformity of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. The Board recommends their reappointment for the approval of the members in the ensuing Annual General Meeting.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

11. SHARE CAPITAL

There is no change in the Authorized Share Capital & Paid up Share Capital of the Company.

12. PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered into by your company were in ordinary course of business and were on arm's length basis and are in accordance with the applicable provisions of the Companies Act, 2013. Members may refer to the notes to the financial statements for details of related party transactions.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

The Information as required u/s 134 (3) in accordance with the provisions of section 134(3) (m) of the Companies Act,

2013 read with Rule 8 (3) of the Companies (Accounts Rules,2014) with respect to these matters are enclosed as per 'Annexure – I'.

14. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board comprises of 6 Directors including 1 Woman cum Independent Director and 1 Independent Director. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and as per other applicable provisions.

In accordance with the provisions of Section 149(7) of the Companies Act, 2013, the Independent Directors have confirmed to the Company that he/she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

Sri Shyam Sundar Nangalia (DIN 00553008), Whole Time Director of the Company who has attained the age of 70 years on 16th June, 2019 and being approved by shareholders for continuation of holding office at the forthcoming Annual General Meeting.

Mr. Harsh Agarwal (DIN 07100781), Whole Time Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offers for reappointment.

15. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, peer evaluation of all Board members, annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees of the Board has been carried out. This evaluation is led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, the Board met 17 times and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

17. AUDIT COMMITTEE

The Audit Committee of the Board comprises of:

- A. Mr. Ramesh Agarwal - Director & CFO
- B. Mrs .Sonu Jain - Independent Director cum Woman Director
- C. Mr. Anup Pandey - Independent Director

The audit committee has met 5 times during the year and their recommendations have been implemented.

Directors' Report

18. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board comprises of:

- A. Mr. Bijay Kumar Agarwal- Whole Time Director
- B. Mr. Ramesh Agarwal - Director & CFO.
- C. Mrs. Sonu Jain- Independent Director cum Woman Director
- D. Mr. Anup Pandey- Independent Director

(Mr. Anup Pandey shall act as Nomination & Remuneration Committee Chairman)

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration

19. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social responsibility Committee of the Board comprises of:

- A. Mr. Bijay Kumar Agarwal- Whole Time Director
- B. Mr. Ramesh Agarwal - Director & CFO
- C. Mr. Anup Pandey- Independent Director

Mr. Ramesh Agarwal shall act as Chairman of the CSR Committee.

20. EXTRACT OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The Extract of Annual Return in form MGT 9 as per Section 134(3) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules, 2014 and Rule 12 of Companies (Management and Administration) Rules, 2014 duly certified is annexed hereto and forms part of this report. Further the disclosure in the Board Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto as 'Annexure – II' and forms part of this Report.

21. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company maintains the cost audit records. Your Board has, on the recommendation of the Audit Committee, appointed M/s. Sohan Lal Jain & Associates, as cost auditors of the Company for F.Y – 2018-19. The cost audit report will be filed with the Central Government within the stipulated timeline.

22. VIGIL MECHANISM

The Company has adopted a vigil mechanism for Directors and Employees to report genuine concerns which shall provide adequate safeguards against victimization of persons who use such mechanism. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct, to

management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the said investigation.

The policy is in compliance with the requirements of Sub-Section (9) and (10) of Section 177 of the Companies Act, 2013.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements for F.Y – 2018-19 vide note no. 12 & 14.

25. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Sourav Kedia (Prop- Sourav Kedia & Associates), Company Secretary in Practice, has conducted the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure-III'.

26. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. During the financial year 2018-19, no complain had been received.

27. RISK MANAGEMENT

The Company has in place a risk management policy to maximize opportunities in all areas and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

28. CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility

Directors' Report

(CSR) Committee of its Board of Directors The Committee comprises of Mr. Ramesh Agarwal (Chairman), Mr. Bijay Kumar Agarwal and Mr. Anup Pandey.

We are committed to be at the forefront in extending benefits to the local communities in and around its plant location. We have always believed in the sustainable development of the society. We have earned the trust of the local community over the years through our community services, on a regular basis, throughout the year.

During the Financial Year 2018-19, the Company had to incur ₹119.30 Lakhs (₹30 Lakhs for unspent amount for FY 2017-18 and ₹89.30 Lakhs for FY 2018-19) for CSR but spent ₹38 Lakhs only (₹30 Lakhs for unspent amount for FY 2017-18 and ₹8.00 Lakhs for FY 2018-19) and ₹81.30 Lakhs is to be spent in next Financial Year towards Corporate Social Activities.

The reason for not spending ₹81.30 Lakhs for FY 2018-19 was that the company didn't find any suitable projects and the same will be spent in FY 2019-20.

The Report on CSR is annexed herewith as "Annexure- IV" and forms a part of the Board's Report.

29. DIRECTOR'S RESPONSIBILITY STATEMENT

As stipulated in the provisions contained in Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the Directors hereby state that—

- i. That in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- ii. That they had selected such accounting policies and applied them consistently and made judgment 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 or Loss of the company for that period.

- iii. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisos of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That they had prepared the annual accounts on a going concern basis.
- v. The directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. ACKNOWLEDGEMENT

The Directors of the Company wish to place on record their thanks and appreciation to all Workers, Staff Members and executives for their contribution to the operation of the company. The Directors are thankful to the Bankers and Financial Institutions for their continued support to the Company. The Directors also place on record their sincere thanks to the Shareholders for their continued support, co-operation and confidence in the Management of the Company.

for & behalf of the
Board

Place: Kolkata
Date : 20th September, 2019

S. S. Nangalia
(CHAIRMAN)

Directors' Report

DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 ERAD WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

1. CONSERVATION OF ENERGY

| A. POWER & FUEL CONSUMPTION | CURRENT YEAR (Rs.) | PREVIOUS YEAR (Rs.) | |
|--|--------------------|---------------------|----------------------|
| 1. Electricity:- | | | |
| a) Purchased Units (Kwh in Lacs) 95.55 | 97.28 | | |
| Total Amount (Rs. In Lacs) 758.45 | 765.28 | | |
| Rate per Unit (Rs.) | 7.86 | 7.94 | |
| b) Own Generation:- | | | |
| i) Through Diesel Generator :- | | | |
| Unit Produced (Kwh in Lacs) 0.018 | 0.083 | | |
| Total Amount (Rs. In Lacs) 0.90 | 2.14 | | |
| Unit per Ltr. of Diesel 0.62 | 2.66 | | |
| Cost per Unit (Rs.) | 25.96 | 50.22 | |
| ii) Through Steam Turbine :- | | | |
| Unit Produced (Kwh in Lacs) 148.43 | 53.785 | | |
| Total Amount (Rs. In Lacs) 450.08 | 806.17 | | |
| Unit per Kg. of Coal 0.52 | 0.50 | | |
| Cost per Unit (Rs.) | 14.98 | 3.03 | |
| 2. Coal | | | |
| Quantity (M.T.) | 16839.367 | 8626.646 | |
| Total Cost (Rs. In Lacs) 450.08 | 858.46 | | |
| Average Rate (Rs. per M.T.) 5217.32 | 5097.93 | | |
| 3. Furnace Oil / Therminol + | | | |
| Light Diesel Oil | | | |
| Quantity (Ltr.) | 2940 | 13085.00 | |
| Total Cost (Rs. In Lacs) 10.10 | 3.57 | | |
| Average Rate (Rs. As per Ltr.) 77.18 | 121.42 | | |
| 4. Other / Internal Generation | | | |
| NIL | | | |
| B. CONSUMPTION PER UNIT OF PRODUCTION | | | |
| PRODUCT | UNIT | CURRENT YEAR | PREVIOUS YEAR |

| | | | | |
|---|--------|-----------|-----------|----|
| Refined Palm Oil & downstream products | (M.T.) | 164280.05 | 152733.31 | 13 |
| Electricity + Diesel | KWH/MT | 59.26 | 62.57 | |
| Coal (used in Boiler for Generation of Steam) | MT/MT | 0.10 | 0.06 | |
| Furnace Oil | | | | |

II. TECHNOLOGY ABSORPTION

ANNEXURE - I

The company has not made use of any imported technology for its product

A. RESEARCH & DEVELOPMENT

- i. Specific area in which Research & Development was carried out by the company. The company makes continuous efforts to improve the quality of its products.

ii. Benefit Derived

The acceptance of the end of products has improved

- iii. Expenditure on Research & Development

| | <u>2018-19</u> | <u>2017-18</u> |
|-----------|----------------|----------------|
| Capital | NIL | NIL |
| Recurring | NIL | NIL |
| Total | NIL | NIL |

B. TECHNOLOGY ABSORPTION ADOPTION AND INNOVATION

- Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to foreign exchange earnings and outgo appear in Schedule 31 and 32 of Audited Financial Statement for the year 31.03.2019

for & behalf of the Board

Place: Kolkata S. S.
Nangalia
Date : 20th September, 2019
(CHAIRMAN)

Directors' Report

ANNEXURE - II

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | U15326WB1981PLC033574 |
| 2. | Registration Date | 22/04/1981 |
| 3. | Name of the Company | Budge Budge Refineries Limited |
| 4. | Category/Sub-category of the Company | Public Company Limited by Share |
| 5. | Address of the Registered office & contact details | 23B, A. M. Ghosh Road, Budge Budge, 24 Parganas (S) – 700137 |
| 6. | Whether listed company | No |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Not Applicable |

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)

| S. No. company | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the |
|-------------------|---|------------------------------------|----------------------------|
| 1 | Edible Oil & IVE | 15142 | 100 % |

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2018] | | | | No. of Shares held at the beginning of the year [As on 31-March-2019] | | | | % Change during the year |
|--|--|----------|----------|-------------------------|--|----------|----------|-------------------------|--------------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | - | 1055536 | 1055536 | 5.80 % | - | 1055536 | 1055536 | 5.80 % | |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | 16589040 | 16589040 | 91.11 % | - | 16589040 | 16589040 | 91.11 % | |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other- | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) | | 17644576 | 17644576 | 96.91 % | | 17644576 | 17644576 | 96.91 % | |
| B. Public Shareholding Sub-total (B)(1):- | | | | | | | | | |
| 2. Non- Institutions | | | | | | | | | |
| a) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | 64000 | 64000 | 0.35 % | - | 64000 | 64000 | 0.35 % | - |
| | | | | | | | | | |

Directors' Report

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2018] | | | | No. of Shares held at the beginning of the year [As on 31-March-2019] | | | | % Change during the year |
|--|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | - | - | - | - | - | - | - | - | - |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Non Resident Indians | - | - | - | - | - | - | - | - | - |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals** | - | 499424 | 499424 | 2.74 % | - | 499424 | 499424 | 2.74 % | - |
| Clearing Members | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies - D R | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | - | 563424 | 563424 | 3.09 % | - | 563424 | 563424 | 3.09 % | |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | | 18208000 | 18208000 | 100 % | | 18208000 | 18208000 | 100 % | |

Note: **Foreign National of Indian Origin.

B) (i) Shareholding of Promoter (Individual)- EQUITY SHARE

| SN | Shareholder's Name | Total Shareholding at the beginning of the year | | | Total Shareholding at the end of the year | | | % change in shareholding 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 | Mr. Shyam Sunder Nangalia & Mrs. Shushila Nangalia | 551200 | 3.03 % | - | 551200 | 3.03 % | - | - |
| 2 | Mr. Rahul Nangalia | 8000 | 0.04 % | - | 8000 | 0.04 % | - | - |
| 3 | Mr. Rahul Nanglia & Mr. S.S. Nangalia | 496336 | 2.73 % | - | 496336 | 2.73 % | - | - |

Directors' Report

B) (ii) Shareholding of Promoter (Companies)

| SN | Shareholder's Name | Total Shareholding at the beginning of the year | | | Total Shareholding at the end of the year | | | % change in shareholding 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 | DKO Trading Co. LLP | 1247200 | 6.85 % | - | 1247200 | 6.85 % | - | - |
| 2 | A.V.Commercial Co. Pvt Ltd. | 1518560 | 8.34 % | - | 1518560 | 8.34 % | - | - |
| 3 | Valley Distributors LLP | 1234240 | 6.78 % | - | 1234240 | 6.78 % | - | - |
| 4 | Gaylord Sales Pvt. Ltd. | 2040000 | 11.20 % | - | 2040000 | 11.20 % | - | - |
| 5 | Vista BPO Pvt Ltd. | 2238400 | 12.29 % | - | 2238400 | 12.29 % | - | - |
| 6 | Kremer Mercantile Pvt Ltd. | 2233600 | 12.27 % | - | 2233600 | 12.27 % | - | - |
| 7 | Jupiter Dealtrade Pvt Ltd | 2584000 | 14.19 % | - | 2584000 | 14.19 % | - | - |
| 8 | Altius Builders Pvt Ltd. | 2933040 | 16.11 % | - | 2933040 | 16.11 % | - | - |
| 9 | B R Housing Pvt. Ltd. | 560000 | 3.08 % | - | 560000 | 3.08 % | - | - |

C) (i) Change in Promoters' Shareholding - Individual Equity Share (Please specify, if there is change)

| SN | Particulars | Date | Reason | 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 | At the beginning of the year | 01/04/18 | - | 1055536 | 5.80 % | 1055536 | 5.80 % |
| 2 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | | | | |
| 3 | At the end of the year | 31/03/19 | - | 1055536 | 5.80 % | 1055536 | 5.80 % |

C) (ii) Change in Promoters' Shareholding - Corporate Equity Share (Please specify, if there is change)

| SN | Particulars | Date | Reason | 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 | At the beginning of the year | 01/04/18 | - | 16589040 | 91.11 % | 16589040 | 91.11 % |
| 2 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | | | | | |
| 3 | At the end of the year | 01/04/19 | - | 16589040 | 91.11 % | 16589040 | 91.11 % |

Directors' Report

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

| SN | Particulars | 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 | At the beginning of the year | - | - | - | - |
| 2 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/ bonus/ sweat equity etc.): | | | | |
| 3 | At the end of the year | - | - | - | - |

Refer Annexure – A.

E) Shareholding of Directors and Key Managerial Personnel:

Name of Director: Mr. Shyam Sundar Nangalia jointly held with Mrs. Sushila Nangalia

| SN | Particulars | Date | Reason | 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 | At the beginning of the year | 01/04/18 | | 551200 | 3.03 % | 551200 | 3.03 % |
| 2 | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | - | | - | - | - | - |
| 3 | At the end of the year | 31/03/19 | | 551200 | 3.03 % | 551200 | 3.03 % |

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 70,771.77 | 5.00 | - | 70,776.77 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 70,771.77 | 5.00 | - | 70,776.77 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | - | 8,167.15 | - | 8,167.15 |
| * Reduction | (66,248.00) | - | - | (66,248.00) |
| Net Change | (66,248.00) | 8,167.15 | - | (58,080.55) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 4,523.77 | 8,172.15 | - | 12,695.92 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 4,523.77 | 8,172.15 | - | 12,695.92 |

Directors' Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration | Name of MD / WTD / Manager | | | | Total Amount |
|-----|---|----------------------------|--------------------------------------|--------------------|---------------------------|--------------------|
| | | Mr. Harsh Agarwal | Mr. Ramesh Agarwal Director & CFO | Mr. Bijay Agarwal | Mr. Shyam Sundar Nangalia | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 18,00,000 | 23,29,440 | 23,29,440 | 25,50,000 | 90,08,880 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 21,600 | 1,61,364 | 1,39,764 | 1,61,364 | 4,84,092 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission- as % of profit- others, specify... | - | 93,93,300 | 99,10,217 | 1,17,58,593 | 3,10,62,110 |
| 5 | Others, please specify | - | - | - | - | - |
| | Total (A) | 18,21,600 | 1,18,84,104 | 1,23,79,421 | 1,44,69,957 | 4,05,55,082 |
| | Ceiling as per the Act | | | | | |

B. REMUNERATION TO OTHER DIRECTORS

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|-------------------|----------------|---|---|-----------------|
| | | Mr. Anup Pandey | Mrs. Sonu Jain | | | |
| 1 | Independent Directors | | | | | |
| | Fee for attending board / committee meetings | 90,000 | 90,000 | - | - | 1,80,000 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | | | | | |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total (B)=(1+2) | - | - | - | - | - |
| | Total Managerial Remuneration | 90,000 | 90,000 | - | - | 1,80,000 |
| | Overall Ceiling as per the Act | | | | | |

Directors' Report

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

| SN. | Particulars of Remuneration | Key Managerial Personnel | | | |
|-----|---|--------------------------|----------|-----|----------|
| | | CEO | CS | CFO | TOTAL |
| 1 | Gross salary | - | - | - | - |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 3,68,000 | - | 3,68,000 |
| | (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 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| | - as % of profit | - | - | - | - |
| | others, specify... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total | - | 3,68,000 | - | 3,68,000 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority (RD / NCLT / COURT) | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. DIRECTORS | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

Directors' Report

ANNEXURE - A

**List of Top Ten Equity Share Holders as on 31.03.2019
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

| SL. No. | Share Holder | No. of Equity Share | | | | HOLDING % |
|---------|-----------------------|---------------------|----------|----------|------------------|-----------|
| | | As on 01.04.2018 | Addition | Deletion | As on 01.04.2019 | |
| 1 | Raj Agarwal | 499424 | - | - | 499424 | 2.74 |
| 2 | Arun Sirdeshmukh | 32000 | - | 32000 | - | - |
| 3 | Rachana Aggarwal | 16000 | - | 16000 | - | - |
| 4 | Shyam Sundar Aggarwal | - | 48000 | - | 48000 | 0.26 |
| 5 | Ritu Jaiswal | 16000 | - | - | 16000 | 0.09 |

Directors' Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

ANNEXURE - III

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Budge Budge Refineries Limited
CIN - U15326WB1981PLC033574
23B, A.M. Ghosh Road,
Budge Budge, 24 Parganas (S),
Kolkata - 700137

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Budge Budge Refineries Limited. 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 Company'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 31 March 2019 ('Audit Period') 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 the Company for the financial year ended on 31 March 2019 according to the provisions of:

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not applicable to the Company.
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not applicable to the Company.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable to the Company.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014- Not applicable to the Company.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable to the Company.
- (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:- Not applicable to the Company.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India -

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

Directors' Report

I further report that:

The Board of Directors of the Company is constituted with Executive Directors and Independent Directors and Key Managerial Person. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 no specific events/actions have occurred which have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Sourav Kedia
For Sourav Kedia &
Associates
Company Secretary in
Practice
Place: Kolkata ACS No.:
40951
Date: 20th September, 2019 CP No.:
15259

'ANNEXURE A'

To,
The Members
Budge Budge Refineries Limited
CIN - U15326WB1981PLC033574
23B, A.M. Ghosh Road,
Budge Budge, 24 Parganas (S),
Kolkata - 700137

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sourav Kedia
For Sourav Kedia &
Associates
Company Secretary in Practice
Place: Kolkata ACS No.: 40951
Date: 20th September, 2019 CP No.:
15259

Directors' Report

ANNEXURE - IV

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Act and Rules made there under]

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

The Board has framed a Corporate Social Responsibility Policy of the Company. Your company's CSR strategy ensures compliance with ethical standards in business practices, minimizing environmental impacts and waste, addressing the challenges of improved access to education, health, sports, drinking water, sanitation and livelihood opportunities, and helping underprivileged communities become resilient and self-reliant.

- 2) The composition of the CSR Committee

- Mr. Ramesh Agarwal - Chairman (Executive Director)
- Mr. Bijay Kumar Agarwal - Member (Whole time Director)
- Mr. Anup Pandey - Member (Independent Director)

- 3) Average Net Profit of the Company for last 3 financial years: ₹4465 Lakhs

- 4) Prescribed CSR expenditure (2% of amount) : ₹89.30 Lakhs

- 5) Details of CSR activities/projects undertaken during the year:

- a) Total amount spent for Previous Financial Year (2017-18) : ₹ 30.00 Lakhs
- b) Total amount spent for the Current financial year (2018-19): ₹ 8.00 Lakhs
- c) Amount un-spent, if any: ₹ 81.30 Lakhs
- d) Manner in which the amount spent during financial year is detailed below:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------|---------------------------------|---|---|--|--|--|--|
| Sr. No. | CSR project/activity identified | Sector in which the Project is covered | Projects/ Programmes 1.Local area/others- 2.Specify the state /district (Name of the District/s, State/s where project/ programme | Amount outlay (budget) project/ programme wise | Amount spent on the project/ programme Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads: | Cumulative spend upto the reporting period | Amount spent: Direct/ through implementing agency* |
| 1. | Udyogini | Udyogini for CSR fund for Edubridge Learning programme at Rural & Tribal Area | For the upliftment of Youth aged between 18-30 Yrs in the region of Shillong, Jowai & Guwahati. Etc | 20.00 Lakhs | 20.00 Lakhs | Cumulative spend upto the reporting period | Direct |
| 2. | Chetla Girls High School | Chetla Girls High School CSR Fund | Chetla (South 24-Parganas) | 15.00 Lakhs | 15.00 Lakhs | | Direct |
| 3. | Purvanchal Kalyan Ashram | CSR Contribution to Purvanchal Kalyan Ashram | Construction of Girls Hostel at Gosaba, Sundarban | 3.00 Lakhs | 3.00 Lakhs | | Direct |

INDEPENDENT AUDITORS' REPORT

To the Members of Budge Budge Refineries Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Budge Budge Refineries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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

Independent Auditors' Report

generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

Independent Auditors' Report

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
13. Further to our comments in Annexure A, 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 purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e) on the basis of the written representations

received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 20 September 2019 as per Annexure B expressed an unmodified opinion; and;
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 29 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vikram Dhanania
Partner
Place: Kolkata Membership No.: 060568
Date: 20 September, 2019 UDIN: 19060568AAACF6009

'Annexure - A' to the Independent Auditors' Report

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant and equipment have been physically verified by the management during the year and there is a regular program of verification once in every three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit and stocks lying with third parties. For stock lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans and guarantees. In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not undertaken any transaction in respect of security covered under Section 185 and 186 of the Act.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows.

Statement of arrears of statutory dues outstanding for more than six months.

| Name of the statute | Nature of the Dues | Amount (₹ in Lakhs) | Period to which the amount relates | Due Date | Date of Payment |
|--|--------------------|---------------------|------------------------------------|-----------|-----------------|
| West Bengal Tax on Entry of Goods into Local Areas Act, 2012 (*) | Entry Tax | 267.72 | 2012-13 | Immediate | Not yet paid |
| | Entry Tax | 100.38 | 2017-18 | Immediate | Not yet paid |

Independent Auditors' Report

(*) These dues are inter-related to the disputed Entry Tax matters as given in (b) below and will be settled/adjusted on their finality.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

| Name of the statute | Nature of the Dues | Amount (₹ in Lakhs) | Amount Paid Under Protest (₹ in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--|--------------------|---------------------|--|------------------------------------|--|
| West Bengal VAT Act, 2003 | Value added tax | 21.74 | Nil | 2016-17 | Appellate Revision Board |
| West Bengal Tax on Entry of Goods into Local Areas Act, 2012 | Entry Tax | 237.81 | Nil | 2013-14 | West Bengal Taxation Tribunal |
| | | 367.73 | Nil | 2014-15 | West Bengal Taxation Tribunal |
| | | 278.74 | Nil | 2015-16 | West Bengal Taxation Tribunal |
| | | 246.52 | Nil | 2016-17 | West Bengal Taxation Tribunal |
| Central Excise Act, 1944 | Excise duty | 7.71 | Nil | 2007-08 | CESTAT, Kolkata |
| | Excise duty | 154.82 | Nil | 2008-09 | CESTAT, Kolkata |
| | Excise duty | 3.88 | Nil | April 2008 to April 2013 | CESTAT, Kolkata |
| | Excise duty | 0.84 | Nil | May 2013 to December 2013 | CESTAT, Kolkata |
| | Excise duty | 2.00 | Nil | January 2014 to January 2015 | CESTAT, Kolkata |
| | Excise duty | 1.54 | Nil | February 2015 to January 2016 | CESTAT, Kolkata |
| | Excise duty | 0.51 | Nil | February 2016 to August 2016 | Commissioner of Central Excise (Appeals) |
| | Excise duty | 0.97 | Nil | September 2016 to June 2017 | Commissioner of Central Excise (Appeals) |

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any loans or borrowing from any financial institution or government and did not have outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments) during the year. In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid/provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act,

where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vikram Dhanania
Partner
Place: Kolkata Membership No.: 060568
Date: 20 September, 2019 UDIN: 19060568AAAACF6009

'Annexure - B' to the Independent Auditors' Report

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

1. In conjunction with our audit of the financial statements of Budge Budge Refineries Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vikram Dhanania
Partner

Place: Kolkata
Date: 20 September 2019
Membership No.: 060568
UDIN: 19060568AAAACF6009

Financial Statements

Balance Sheet as at 31st March, 2019

(All amounts ₹ in Lacs, unless otherwise stated)

| | 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 | | 26.21 | - |
| Total outstanding dues of micro enterprises and small enterprises | | | |
| 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

Financial Statements

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)
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

Financial Statements

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

(All amounts ₹ in Lacs, unless otherwise stated)

| 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
Membership No. 060568

Ramesh Agarwal
(Director)
DIN: 00564635

Harsh Agarwal
(Director)
DIN: 07100781

Manish Karwa
(Company Secretary)
MN: ACS 28027

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 return. 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 of 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.

Financial Statements

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 | 3281.26 | - | - |
| Add : Changes in fair value of effective portion of derivatives | | | |
| 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.

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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 | | 38.26 | 27.95 |
| 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).

Financial Statements

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 (WCDL) | 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.)

WCDL (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 |

Financial Statements

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 | 1,761.16 111.23 | 5,188.90 625.92 | 820.38 0.30 | 22.60 2.90 | 26.83 0.59 | 37.91 29.30 (9.99) | 19.75 1.94 | 8,784.71 772.18 (9.99) |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2018 | 907.18 | 1,872.39 | 5,814.82 | 820.68 | 25.50 | 27.42 0.16 | 57.22 39.60 | 21.69 0.89 | 9,546.90 40.65 |
| Additions | - | - | - | - | - | - | - | - | - |
| 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 61.71 | 2,409.69 390.95 | 309.37 28.94 | 15.74 1.50 | 19.46 5.71 | 4.81 7.39 | 14.20 3.17 | 3,315.84 499.37 |
| Depreciation charge | - | - | - | - | - | - | - | - | (5.29) |
| Reversal on disposal of assets | - | - | - | - | - | - | - | - | - |
| Up to 31 March 2018 | - | 604.28 69.20 | 2,800.64 343.85 | 338.31 28.95 | 17.24 1.22 | 25.17 1.15 | 6.91 8.92 | 17.37 2.21 | 3,809.92 455.50 |
| Depreciation charge | - | - | - | - | - | - | - | - | - |
| 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 |

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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 | - |
| (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 |
| (c) Other investments (Unquoted) Sovereign gold bond scheme Other investments (#) Gold coins | 0.31 0.07 7.10 | - 0.07 7.10 |
| Total Investments | 7.48 | 7.17 |
| | 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 |
| Deferred tax liabilities | 416.72 | 563.20 |
| Timing difference on written down value of property, plant and equipment | 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 |

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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 |
| Less: Provision for doubtful debts | 214.49 | 211.56 |
| | 104.36 | 104.36 |
| Other debts | 110.13 | 107.20 |
| 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.

Financial Statements

Summary of significant accounting policies and other explanatory information

19. REVENUE FROM OPERATIONS

(All amounts ₹ in Lacs, unless otherwise stated)

| 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 palm 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 |

Financial Statements

Summary of significant accounting policies and other explanatory information

22. PURCHASES OF STOCK IN TRADE

(All amounts ₹ in Lacs, unless otherwise stated)

| 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 |

Financial Statements

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 | 8.00 | 15.00 |
| Paid | - | 30.00 |
| Yet to be paid | | |

Financial Statements

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 |

Financial Statements

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 |
| | Lakshmendra 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 Ramesh Agarwal Bijay Kumar Agarwal Lakshmendra Kumar Agarwal Shree Gopal Saraf Harsh Agarwal Manish Karwa Surya Agarwal Shivam Agarwal Puja Agarwal | 143.09 117.22 122.39 117.59 117.22 18.00 3.68 15.00 12.00 7.20 | 141.64 94.43 94.43 151.72 108.10 7.20 - - - - - |
| Reimbursement of expenses Ramesh Agarwal Shyam Sundar Nangalia Bijay Kumar Agarwal Surya Agarwal | 0.08 1.50 4.82 2.27 | - - - - |
| Brokerage on sales Ramesh Agarwal HUF Shree Gopal Saraf and Sons | 4.22 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 Harsh Agarwal Surya Agarwal Shivam Agarwal | 36.18 10.09 0.41 0.34 | 0.26 8.37 - - |
| Year-end payables Shyam Sundar Nangalia Ramesh Agarwal Bijay Kumar Agarwal Lakshmendra Kumar Agarwal Shree Gopal Saraf | 114.28 92.19 97.46 117.59 93.93 | 141.72 89.13 91.05 138.40 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



Budge Budge Refineries Ltd.

CIN:U15326WB1981PLC033574

23B A.M. Ghosh Road, Budge Budge, Kolkata-700137, West Bengal
Tel No: 033-24803791/94, E-mail ID: admin@bbrl.co.in

PROXY FORM

Form-MGT 11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U15326WB1981PLC033574

Name of the company : Budge Budge Refineries Ltd.

Registered office : 23B A.M. Ghosh Road, Budge Budge, Kolkata-700137, West Bengal

| | |
|-------------------------|-------|
| Name of the member(s) : | |
| Registered Address | |
| DP ID | |
| Folio No. / Client ID* | |
| E-mail ID | |

* Applicable for Members holding shares in electronic form.

/We, being the member(s) of shares of Budge Budge Refineries Ltd., hereby appoint :

1. Name :

Address :

Email Id : Signature :

Or, failing him,

2. Name :

Address :

Email Id : Signature :

Or, failing him,

3. Name :

Address :

Email Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Saturday, the 30th day of September 2019 at 3 P.M. at Budge Budge Refineries Ltd., 23B, A.M. Ghosh Road, Budge Budge, 24 Parganas (S), Kolkata-700137, West Bengal.

Ordinary Business:

1. To receive consider and adopt the Audited Balance Sheet as at March 31, 2019 and Profit and Loss Account for the year ended on that date together with reports of Auditors and Directors thereon.
2. To re-appoint Mr. Harsh Agarwal (DIN 07100781), Whole Time Director, who retires by rotation at the close of this Annual General Meeting, and being eligible offers himself for reappointment.
3. To appoint / Reappoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Walker Chandiok & Co LLP, Chartered Accountants, Firm Registration No: 001076N / N500013, 10C, Hungerford Street, 5th Floor, Kolkata - 700 017, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual general Meeting of until the 41st Annual General meeting of Company on such remuneration as shall be fixed by the Board of Directors".

Special Business:**Item No. 4**

Consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted for continuation of Shri Shyam Sundar Nangalia (DIN 00553008), Whole Time Director, who has attained the age of 70 (Seventy) years on 16th June, 2019, upto the expiry of his present term of office, on the existing terms and conditions as duly approved by the shareholders through an Special Resolution passed at the Extra-Ordinary General Meeting held on 19th December,2016."

"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

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

Signed this _____ day of _____ 2019

Affix
Revenue
Stamp

Signature of Share Holder:

Signature of Proxy Holder:

Note :

1. This form of proxy, in order to be effective should be duly signed, completed and deposited at the Registered office of the Company, not less 48 hours before the commencement of the Meeting.
2. A Proxy need not be a Member of the Company.
3. A person can act as a proxy on behalf of Member(s) not exceeding fifty and holding in the aggregate not more than 10% of the share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting right may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
4. Appointing a proxy does not prevent a Member from attending the meeting in person if he so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should stated.
6. Proxy shall not have right to speak at the Meeting and shall not be entitled to vote except on a Poll.

Important Notes

Important Notes

If undelivered, please return to:

Budge Budge Refineries Ltd.

23B, A. M. Ghosh Road, Budge Budge
Dist. 24 Parganas (S)
WB, PIN-700 137