बामर लॉरी एण्ड कं. लिमिटेड
(भारत सरकार का एक उद्यम)
Balmer Lawrie & Co. Ltd.
(A Government of India Enterprise)
SINCE 1867

21, नेताजी सुभाष रोड, कोलकाता - 700 001, (भारत)
फोन : (91)(033)2222-5329/5314/5209
ई-मेल : bhavsar.k@balmerlawrie.com
21, Netaji Subhas Road, Kolkata - 700 001, (India)
Phone : (91)(033) 2222-5329/5314/5209
E-mail : bhavsar.k@balmerlawrie.com
CIN : L15492WB1924GOI004835

Ref: SECY/StockExchange/2019

Date: 22nd August, 2019

The Secretary,
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex
Bandra (E),
Mumbai – 400 051
Company Code : **BALMLAWRIE**

The Secretary,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400001
Company Code : **523319**

Dear Sir(s),

Sub.: Submission of the Notice for the 102nd Annual General Meeting and Annual Report for the Financial Year 2018-19 pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Pursuant to **Regulation 30** and **34** of the **SEBI (LODR) Regulations, 2015**, we are hereby appending the Notice of the 102nd Annual General Meeting (AGM) of the Company to be held on Wednesday, 18th September, 2019 at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019 at 10:30 a.m. and the Annual Report for the Financial Year 2018-19 for your information and record. The dispatch of the same has commenced today.

Thanking You,
Yours faithfully,
For Balmer Lawrie & Co. Ltd.

कविता भावसार

Kavita Bhavsar
Company Secretary

Enclosed: As above

Cc: The Assistant Vice President, NSDL
The Vice President (Operation), CDSL

Balmer Lawrie & Co. Ltd.

(A Government of India Enterprise)

Registered Office : 21, Netaji Subhas Road, Kolkata - 700 001

CIN: L15492WB1924GOI004835

Telephone No : 033 2222 5329, E-mail : bhavsar.k@balmerlawrie.com

Website: www.balmerlawrie.com

NOTICE OF THE 102ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the 102nd Annual General Meeting (AGM) of the Members of Balmer Lawrie & Co. Ltd. will be held on **Wednesday, 18th September, 2019, at 10:30 a.m. at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019** to transact the following businesses:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2019 and other statements attached thereto along with the comments of Comptroller & Auditor General of India thereon and in this connection to pass the following Ordinary Resolution:**

   "**RESOLVED THAT** the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31st March, 2019 together with Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2019 and other statements attached thereto along with the comments of the Comptroller & Auditor General of India on the Accounts of the Company, be and are hereby considered and adopted."

2. **To declare dividend for the Financial Year ended 31st March, 2019 and in this connection to pass the following Ordinary Resolution:**

   "**RESOLVED THAT** in accordance with the recommendation of the Board of Directors, dividend at the rate of ₹ 11.00 (Rupees Eleven only) per Equity Share for the Financial Year ended 31st March, 2019 be and is hereby declared on 11,40,02,564 Equity Shares of ₹ 10/- (Rupees Ten) each of the Company and same be paid out of the profits of the Company for the Financial Year ended 31st March, 2019."

3. **To appoint a Director in place of Shri Prabal Basu (DIN 06414341), a Director who retires by rotation and, being eligible, offers himself for reappointment and in this connection to pass the following Ordinary Resolution:**

   "**RESOLVED THAT** Shri Prabal Basu (DIN 06414341), a Director retiring by rotation, be and is hereby reappointed as a Director of the Company whose period of office shall be subject to retirement by rotation."

4. **To appoint a Director in place of Shri Kalyan Swaminathan (DIN 06912345), a Director who retires by rotation and, being eligible, offers himself for reappointment and in this connection to pass the following Ordinary Resolution:**

   "**RESOLVED THAT** Shri Kalyan Swaminathan (DIN 06912345), a Director retiring by rotation, be and is hereby reappointed as a Director of the Company whose period of office shall be subject to retirement by rotation."

5. **To fix remuneration of the Statutory Auditors (including Branch Auditors) for the Financial Year 2019-20 and in this connection to pass the following Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Statutory Auditors (including Branch Auditors) as and when appointed under Section 139(5) and other applicable provisions of the Companies Act, 2013 by the Comptroller & Auditor General of India including reimbursement of out-of-pocket expenses, if incurred by the said Auditors in connection with the audit of annual accounts of the Company, for the Financial Year 2019-20."

SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following Ordinary Resolutions:

6. **Appointment of Shri Arun Tandon (DIN 08210607) as an Independent Director**

   "**RESOLVED THAT** Shri Arun Tandon (DIN 08210607), who was appointed as an

Additional Director as per the provisions of the Companies Act, 2013, at the Board Meeting held on 12th September, 2018 and who holds office upto the 102nd Annual General Meeting and the Company having received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director w.e.f. 12th September, 2018 for a period of three years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31033/2/2018-CA(22758) dated 3rd August, 2018 received from the Ministry of Petroleum & Natural Gas, Government of India and his appointment letter dated 12th September, 2018."

7. Appointment of Shri Arun Kumar (DIN 03570776) as an Independent Director

"**RESOLVED THAT** Shri Arun Kumar (DIN 03570776), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013, at the Board Meeting held on 18th July, 2019 and who holds office upto the 102nd Annual General Meeting and the Company having received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director w.e.f. 18th July, 2019 for a period of three years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31033/2/2018-CA/PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas, Government of India and his appointment letter dated 23rd July, 2019."

8. Appointment of Shri Anil Kumar Upadhyay (DIN 07724769) as an Independent Director

"**RESOLVED THAT** Shri Anil Kumar Upadhyay (DIN 07724769), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013, at the Board Meeting held on 18th July, 2019 and who holds office upto the 102nd Annual General Meeting and the Company having received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director w.e.f. 18th July, 2019 for a period of three years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31033/2/2018-CA/PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas, Government of India and his appointment letter dated 23rd July, 2019."

9. Appointment of Shri Bhagawan Das Shivahare (DIN 08514350) as an Independent Director

"**RESOLVED THAT** Shri Bhagawan Das Shivahare (DIN 08514350), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013, at the Board Meeting held on 18th July, 2019 and who holds office upto the 102nd Annual General Meeting and the Company having received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director w.e.f. 18th July, 2019 for a period of three years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31033/2/2018-CA/PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas, Government of India and his appointment letter dated 23rd July, 2019."

10. Ratification of remuneration of Cost Auditor for the Financial Year 2019-20.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and read with the Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of M/s. S. B. & Associates, Cost Accountants in Practice, as recommended by the Audit Committee and fixed by the Board, at ₹ 1,25,999/- (Rupees One Lakh Twenty Five Thousand Nine Hundred Ninety Nine only) plus taxes, as applicable, and reimbursement of out-of-pocket expenses, at actuals, if incurred by the said auditors in connection with the audit of the Cost Records maintained by the Company for the Financial year ending on 31st March, 2020, be and is hereby ratified."

Registered Office:
Balmer Lawrie House
21, Netaji Subhas Road
Kolkata 700 001

Date: 13th August, 2019
Place: New Delhi

By Order of the Board
Balmer Lawrie & Co. Ltd.
Kavita Bhavsar
Company Secretary
FCS No. : 4767

NOTES:

A. General

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special businesses to be transacted at the AGM of the Company is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection in physical/electronic form at the Registered Office of the Company during the business hours except on holidays, up to the date of the AGM and also at the Meeting or any adjournment thereof.
2. Brief particulars of the Directors, proposed to be appointed/ reappointed, as mandated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), is annexed hereto and forms part of the Notice.
3. **PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. The instrument appointing the proxy, in order to be valid and effective must be deposited at the Registered Office of the Company, duly filled, stamped and signed, not less than 48 (Forty-eight) hours before the scheduled time of commencement of the AGM i.e. on or before Monday, 16th September, 2019, 10:30 a.m. Instrument appointing proxy (MGT 11) shall be in writing and be signed by the appointer or his attorney duly authorised in writing or where the appointer is a body corporate proxy should be under its seal or be signed by an officer or an attorney duly authorised by it.
5. Pursuant to the provisions of Section 105 of the Companies Act, 2013, read with Rule 19 of Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten per cent) of the total share capital of the Company carrying voting rights. However, a Member holding more than 10% (ten per cent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The proxy Form MGT–11, has been attached to this Notice.
6. Further, in terms of Section 113(1) of the Companies Act, 2013, corporate members intending to send their authorized representative(s) to attend the AGM are requested to send a certified copy of their Board Resolution, authorizing their representative to attend and vote at the ensuing AGM.
7. A person authorised by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, on behalf of the body corporate which he/ she represents.
8. Where there are members registered jointly in respect of any share, any one of such persons may vote at the AGM either personally or by proxy in respect of such share as if he was solely entitled thereto; and if more than one of such joint members be present at any meeting either personally or by proxy, that one of the said members so present whose name stands first in the Register of Members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of Article 65 of Articles of Association of the Company, be deemed to be members registered jointly in respect thereof.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by the members at the AGM venue during the continuance of the meeting.
10. The Board of Directors at its meeting held on 28th May 2019, has recommended a dividend of ₹ 11.00 (Rupees Eleven only) per Equity Share of the face value of ₹ 10/- each, fully paid-up.

Upon declaration by the members, dividend shall be paid to those shareholders of the Company who are holding shares of the Company as on 11th September, 2019 (End of Day) within the statutory time limit of 30 days from the date of such declaration.

11. Unpaid/unclaimed dividend

Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company has transferred ₹ 29,50,105/- to IEPF which were belonging to the shareholders whose dividend were unpaid/ unclaimed for the FY 2010-11.

Members are requested to note that the unclaimed dividend amount for the Financial Year ended 31st March, 2012 (declared and paid in 2012) will be due for transfer to IEPF on 2nd November, 2019.

Further, pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the Company has uploaded details of unpaid and unclaimed dividend amounts lying with the Company as on 12th September, 2018 (date of last Annual General Meeting) on its website at www.balmerlawrie.com and also on the website of the IEPF.

12. Compulsory transfer of Equity Shares to the Investors Education & Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to IEPF. Accordingly, the Company has transferred 32,970 Equity Shares of the Face Value of ₹ 10/- each belonging to 257 shareholders to IEPF.

Further, members are requested to note that in respect of dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF- 5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed by the claimant along with the requisite documents enumerated in Form IEPF-5 to the Nodal Officer of the Company at the Registered Office of the Company for verification of his/her claim.

The details of the Nodal Officer of the Company for IEPF are as under:

i. Name of Nodal Officer : Ms. Kavita Bhavsar

ii. Address:Balmer Lawrie & Co. Ltd., 21, Netaji Subhas Road, Kolkata 700 001

iii. E-mail ID: bhavsar.k@balmerlawrie.com

In terms of IEPF Rules, the claimant can file only one consolidated claim in respect of the Company in a Financial Year.

13. Members are requested to take note of attached route map showing directions to reach the venue of AGM.

14. **BOOK CLOSURE** - The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 12th September, 2019 to Wednesday, 18th September, 2019 (both days inclusive).

15. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.

Further, SEBI has also mandated that w.e.f. 1st April, 2019 requests for effecting transfer of Securities shall not be processed unless the Securities are held in dematerialised form with depository. In view of above, members are requested to consider dematerializing their shares held in physical form.

Members are requested:

a) To notify on or before 11th September, 2019 (applicable for shareholders holding shares in physical mode) the following to Karvy Fintech Private Limited, Unit - Balmer Lawrie & Co. Ltd, the Registrar & Share Transfer Agent (RTA) of the Company at:

- Apeejay House, 15, Park Street, C-Block, 3rd Floor, Kolkata – 700 016; or
- Karvy Selenium, Tower - B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Gachibowli, Hyderabad – 500 032.

- Toll free No. 1800 3454001; email: einward.ris@karvy.com.

i. Any Change of address (including pin code), mandate, etc.

ii. Particulars of bank account number, IFSC and MICR code, name and address of the bank alongwith original cancelled cheque which shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook /statement attested by the bank.

iii. Copy of self attested PAN Card, if not already provided.

Members who are holding Shares in electronic form may note that bank particulars registered with their respective Depository Participants (DPs) will be used by the Company for electronic credit / despatch of dividend. The Company or its RTA cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective DPs. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records;

b) To quote the ledger Folio or client ID and DP ID numbers in all communications addressed either to the Company or to RTA;

c) To bring a copy of the Annual Report at the AGM venue. Please note that Annual Report(s) shall not be distributed at the AGM venue;

d) To submit Attendance Slip/show Entry Pass at the entrance of the AGM venue.

16. NOMINATION BY SECURITIES HOLDERS

Pursuant to Section 72 of the Companies Act, 2013, any holder of securities of the Company may, at any time, nominate, in **Form No. SH.13**, any person as his/her nominee upon whom the securities shall vest in the event of his/ her death. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation, to the Company in **Form No. SH.14**. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the Company.

17. Members who hold Shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their Share Certificates to enable the Company to consolidate their holdings into a single folio.

18. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Accounts of each of its subsidiaries are placed on the website of the Company (www.balmerlawrie.com). Additionally, the Company will provide a copy of separate Audited Financial Statements in respect of its subsidiary companies, to any shareholder of the Company on making requisition in writing to the Company Secretary at the Registered Office of the Company or at the office of Company's RTA.

19. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019 are being sent through the permitted mode. Electronic copy of the Notice of the 102nd AGM of the Company, inter alia, indicating the process and manner of electronic voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 102nd AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent through the permitted mode.

20. Green Initiative : Member who has not yet registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

21. In terms of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, though the Auditors of a Government Company are appointed by the Comptroller & Auditor General of India, the remuneration of the auditor is fixed at the General Meeting or in such manner as may be determined therein. Therefore, item on fixation of remuneration of the Auditors has been included in the Notice of the 102nd AGM under item no. 5 of the Ordinary Business which requires passing of Resolution by simple Majority.

B. Voting by Electronic means and voting at the AGM:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, [as amended] and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the stated items of business numbering one to ten shall be transacted through electronic voting system. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") for providing e-voting facilities to the Members enabling them to cast their vote in a secure manner.

2. The Company is providing facility for voting by electronic means and the business may be transacted through such voting. The facility for voting through ballot paper, shall also be made available at the AGM and members attending the AGM who have not already cast their vote by remote e-voting facility shall be able to exercise their right at the AGM. Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

3. The cut-off date for the purpose of reckoning the right of members to vote is 11th September, 2019 (End of Day). Persons who are not Members as on cut-off date should treat this Notice for information purpose only.

   Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off Date i.e. 11th September, 2019.

4. **Instructions for remote e-voting**

   (i) The e-voting period begins on Saturday, 14th September, 2019 at 9.00 a.m. and ends on Tuesday, 17th September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 11th September, 2019 (EOD) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

   (iii) The shareholders should log on to the e-voting website www.evotingindia.com.

   (iv) Click on Shareholders.

   (v) Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID;

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

   (vi) Next enter the Image Verification as displayed and Click on Login.

   (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

   (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) ● Members who have not updated their PAN with the Company/ Depository Participant are requested to use the Sequence number provided by the RTA/ ISSUER.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. ● If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@

cdslindia.com or contact Shri Arghya Majumder, Assistant Manager, CDSL at arghyam@cdslindia.com.

5. Any person, who becomes a member of the Company after the dispatch of the Notice and holding shares as on 11th September, 2019 (end of day) may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.

6. Mr. Mohan Ram Goenka, a Company Secretary in whole-time practice (Membership No.: 4515) and a Partner of M R & Associates has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

7. The Chairman shall, at the AGM, after the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

8. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three (3) days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

9. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.balmerlawrie.com) under the section 'Investor Relations' and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited.

Explanatory Statement
Under Section 102 of the Companies Act, 2013
[Forming Part of the Notice to the Members]

Item No. 6: Appointment of Shri Arun Tandon (DIN 08210607) as an Independent Director

The Board at its meeting dated 12th September, 2018, in line with the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, read with letter No. C-31033/2/2018-CA (22758) dated 3rd August, 2018 received from the Ministry of Petroleum & Natural Gas (MoPNG), Government of India, appointed Shri Arun Tandon as an additional director of the Company having designation Independent Director upto the date of this Annual General Meeting.

The Company has received from Shri Arun Tandon Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014 and a declaration of independence under Section 149(6) of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Nomination and Remuneration Committee has verified that Shri Arun Tandon is not debarred from holding office of Director by any order of SEBI or any other such authority.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Arun Tandon as a Director of the Company.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Arun Tandon would remain an Independent Director of the Company for three years from the date of notification of his appointment, or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence of the director is determined by the Administrative Ministry. Shri Arun Tandon is independent of the management of the Company.

Except Shri Arun Tandon, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri Arun Tandon is attached with this Explanatory Statement.

Item No. 7: Appointment of Shri Arun Kumar (DIN 03570776) as an Independent Director

The Board at its meeting dated 18th July, 2019, in line with the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, read with letter No.C-31033/2/2018-CA/ PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas (MoPNG), Government of India, appointed Shri Arun Kumar as an additional director of the Company having designation Independent Director upto the date of this Annual General Meeting.

The Company has received from Shri Arun Kumar Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014 and a declaration of independence under Section 149(6) of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Nomination and Remuneration Committee has verified that Shri Arun Kumar is not debarred from holding office of Director by any order of SEBI or any other such authority.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Arun Kumar as a Director of the Company.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Arun Kumar would remain an Independent Director of the Company for three years from the date of notification of his appointment, or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence of the director is determined by the Administrative Ministry. Shri Arun Kumar is independent of the management of the Company.

Except Shri Arun Kumar, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri Arun Kumar is attached with this Explanatory Statement.

Item No. 8: Appointment of Shri Anil Kumar Upadhyay (DIN 07724769) as an Independent Director

The Board at its meeting dated 18th July, 2019, in line with the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, read with letter No. C-31033/2/2018-CA/PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas (MoPNG), Government of India, appointed Shri Anil Kumar Upadhyay as an additional director of the Company having designation Independent Director upto the date of this Annual General Meeting.

The Company has received from Shri Anil Kumar Upadhyay Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014 and a declaration of independence under Section 149(6) of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Nomination and Remuneration Committee has verified that Shri Anil Kumar Upadhyay is not debarred from holding office of Director by any order of SEBI or any other such authority.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Anil Kumar Upadhyay as a Director of the Company.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Anil Kumar Upadhyay would remain an Independent Director of the Company for three years from the date of notification of his appointment, or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence of the director is determined by the Administrative Ministry. Shri Anil Kumar Upadhyay is independent of the management of the Company.

Except Shri Anil Kumar Upadhyay, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri Anil Kumar Upadhyay is attached with this Explanatory Statement.

Item No. 9: Appointment of Shri Bhagawan Das Shivahare (DIN 08514350) as an Independent Director

The Board at its meeting dated 18th July, 2019, in line with the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, read with letter No. C-31033/2/2018-CA/PNG(25758) dated 12th July, 2019 received from the Ministry of Petroleum & Natural Gas (MoPNG), Government of India, appointed Shri Bhagawan Das Shivahare as an additional director of the Company having designation Independent Director upto the date of this Annual General Meeting.

The Company has received from Shri Bhagawan Das Shivahare Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014 and a declaration of Independence under Section 149(6) of the Companies Act, 2013 and as per Regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Nomination and Remuneration Committee has verified that Shri Bhagawan Das Shivahare is not debarred from holding office of Director by any order of SEBI or any other such authority.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Bhagawan Das Shivahare as a Director of the Company.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Bhagawan Das Shivahare would remain an Independent Director of the Company for three years from the date of notification of his appointment, or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence of the director is determined by the Administrative Ministry. Shri Bhagawan Das Shivahare is independent of the management of the Company.

Except Shri Bhagawan Das Shivahare, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri Bhagawan Das Shivahare is attached with this Explanatory Statement.

Item No. 10: Ratification of remuneration of Cost Auditor for Financial Year 2019-20

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment of M/s. S. B. & Associates, Cost Accountants, having its registered office at Belanagar, P. O. Abhoynagar, district Howrah - 711 205 as Cost Auditor of the Company to conduct the audit of the Cost Records maintained by the Company for the year 2019-20 at a remuneration of ₹ 1,25,999/- (Rupees One Lakh Twenty Five Thousand Nine Hundred Ninety Nine only) plus taxes as applicable and reimbursement of out-of-pocket expenses at actuals, if incurred, to be paid on completion of the Cost Audit.

In terms of Section 148(3) of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of the Cost Auditor has to be ratified by the Members of the Company. Accordingly consent of the members is sought for approval of the remuneration payable to the Cost Auditor for the Financial Year ending on 31st March, 2020.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The Board of Directors recommend the Ordinary Resolution for your approval.

AS REQUIRED BY REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND PARA 1.2.5 OF SS-2, THE PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE RE-APPOINTED/APPOINTED AT THE 102ND ANNUAL GENERAL MEETING TO BE HELD ON 18TH SEPTEMBER, 2019 ARE GIVEN BELOW:

Name & Designation	Shri Prabal Basu, Chairman & Managing Director	Shri Kalyan Swaminathan, Director (Service Businesses)	Shri Arun Tandon, Independent Director
Date of Birth	18th October, 1963	15th February,1960	21st April, 1953
Date of First Appointment on the Board of Balmer Lawrie & Co. Ltd.	1st December, 2012 as Director (Finance); 1st August, 2015 as Chairman & Managing Director	1st August, 2015	12th September, 2018
Date of appointment / last re-appointment at the Annual General Meeting	14th September, 2017	14th September, 2017	Not Applicable
Qualifications	(i) Executive Programme in General Management from the Sloan School of Management, MIT, USA. (ii) Member of the Institute of Cost Accountants of India (iii) Member of the Institute of Company Secretaries of India (iv) Member of the Institute of Chartered Accountants of India (v) Bachelor of Commerce (Hons.)	(i) Member of Institute of Cost Accountants of India (ii) Member of Institute of Company Secretaries of India (iii) Bachelor of Commerce	(i) BA in Politics, Modern History, English Literature from Allahabad University. (ii) M.A. in Political Science from Allahabad University. (iii) M.PHIL in International Relations from Jawaharlal Nehru University, New Delhi. (iv) Awarded Indian Council of Social Sciences Research (ICSSR) fellowship during 1977-79 for research topic 'India's cultural Diplomacy'. (v) Attended 'Executive Programme on Public Sector Leadership and Management for IRS (Customs & Central Excise)' in Lee Kwan Yew School of Public Policy, Singapore in 2011.
Expertise in Specific Functional areas	Shri Prabal Basu has a working experience of 33 years during which he has developed expertise in the functional areas of Accounts & Finance, Taxation, Information Technology, ERP implementation and in various aspects of General Management.	He has a working experience of 36 years during which he has developed expertise in the functional areas of accounts, finance, ERP Implementation, logistics infrastructure, logistics services, ticketing, vacation businesses besides general management.	Shri Arun Tandon has an experience of 34 years in Strategy and execution of matters of Customs, Central Excise, Service Tax and Narcotics. Further, he has an experience of four years in Revenue Intelligence. He has supervised audit and appeal matters in Customs and Central Excise as well as Service Tax. Shri Arun Tandon has an experience of more than 10 years as Joint Secretary. He retired as Additional Secretary Government of India.
Terms and conditions of appointment/ reappointment	As contained in letters bearing reference no.-C-31024/3/2013-CA/FTS:26993 dated 18th May, 2015, C-31024/3/2013-CA(Part-I)/ FTS: 39921 dated 23rd October, 2018 and C-31024/3/2013-CA(Part-I)/ FTS(39921) dated 7th February, 2019 from Ministry of Petroleum & Natural Gas.	As contained in letters bearing reference no.-C-31024/2/ 2013-CA / FTS:26994 dated 18th May, 2015, C-31024/2/2013 (Part-I) CA FTS : 39922 dated 21st March, 2017 and C-3102 4/2/2013-CA(Part-I)/FTS(39922) dated 4th February, 2019 from Ministry of Petroleum & Natural Gas.	As contained in letter bearing reference no. – C-31033/2/2018-CA(22758) dated 3rd August, 2018 from Ministry of Petroleum & Natural Gas and his appointment letter dated 12th September, 2018.

Name & Designation	Shri Prabal Basu, Chairman & Managing Director	Shri Kalyan Swaminathan, Director (Service Businesses)	Shri Arun Tandon, Independent Director
Details of remuneration last drawn	₹ 57,92,752/-	₹ 50,99,273/-	Sitting fees of ₹ 1,00,000/- was paid during the Financial Year
Details of remuneration sought to be paid	As per existing approved terms and conditions	As per existing approved terms and conditions.	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per Meeting of Board or Committee attended by the Independent Director is paid.
Number of Meetings of the Board attended during the Financial Year 2018-19	Eight	Eight	Five
Shareholding of the Director in Balmer Lawrie & Co. Ltd.	440 shares	NIL	NIL
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	None	None	None
Directorship on the Board of other Companies / offices held in other companies	1. Balmer Lawrie-Van Leer Limited 2. Balmer Lawrie (UK) Ltd. 3. Balmer Lawrie (UAE)LLC.	1. Visakhapatnam Port Logistics Park Limited	NIL
Membership/ Chairmanship of Committee(s) of Balmer Lawrie	NIL	1. Corporate Social Responsibility Committee - Member 2. Stakeholders Relationship Committee - Member 3. Risk Management Committee - Member	1. Audit Committee - Member 2. Nomination and Remuneration Committee - Member
Membership/ Chairmanship of Committee(s) of the Board of other Companies	1. Balmer Lawrie-Van Leer Limited: a. Audit Committee- Member b. Nomination and Remuneration Committee- Chairperson c. Stakeholders' Relationship Committee- Chairperson d. Corporate Social Responsibility Committee- Member	NIL	NIL

AS REQUIRED BY REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND PARA 1.2.5 OF SS-2, THE PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE RE-APPOINTED/APPOINTED AT THE 102ND ANNUAL GENERAL MEETING TO BE HELD ON 18TH SEPTEMBER, 2019 ARE GIVEN BELOW:

Name & Designation	Shri Arun Kumar, Independent Director	Shri Anil Kumar Upadhyay, Independent Director	Shri Bhagawan Das Shivahare, Independent Director
Date of Birth	19th March, 1958	14th February, 1957	16th September, 1950
Date of First Appointment on the Board of Balmer Lawrie & Co. Ltd.	18th July, 2019	18th July, 2019	18th July, 2019
Date of appointment / last re-appointment at the Annual General Meeting	Not Applicable	Not Applicable	Not Applicable
Qualifications	(i) Mechanical Engineering from Council of Engineering Institutions, London, Part I & 2; (ii) Electrical Engineering from Institution of Engineers of India, Part A & B; (iii) MA in Economics (correspondence) from Annamalai University.	(i) M.Sc in Botany from Udai Pratap College, Gorakhpur University, Varanasi. (ii) B.Sc in Zoology, Botany and Chemistry from Udai Pratap College, Gorakhpur University, Varanasi. (iii) P.G. Diploma (AIFC) in Forestry & allied Subjects from Indian Forest College, Dehradun.	(i) Chartered Accountant
Expertise in Specific Functional areas	Shri Arun Kumar started his career in the Indian Railways Service of Mechanical Engineers in 1980. He qualified for the Indian Administrative Service (IAS) in 1983 and served for 17 years with the Government of India. In his last assignment, he has worked as Secretary Ministry of Mines, prior to that he worked as Joint Secretary in the Ministry of Mine, Food processing and as Export Commissioner in Government of India. He also served as, Principal Secretary, Panchayat & Rural Development Assam besides working in various positions in the State Government. Shri Kumar has worked as a Managing Director in State Enterprises and served on the Boards of NALCO, HCL, MECL as a Government Nominee. He has been instrumental in passing of the amendment to the Mines & Minerals Development & Regulation Act, 1957, in the year 2015, the Food Safety and Standards Act, 2006, the establishment of National Institute of Food Technology Entrepreneurship & Management Sonipat, as well formulation and implementation and of programmes at the national level. He has a well-grounded understanding of the economic structure of the Indian economy, the legal and regulatory framework and in particular large industries.	Shri Upadhyay has 10 years of experience as Joint Secretary and above. He retired from Indian Forest Service on 28th February, 2017. Prior to retirement, he held the position of Additional Principal Chief Conservator of Forests - Liaisoning & Sales, Government of Madhya Pradesh, Delhi. Shri Upadhyay is having specialization in Biodiversity, Natural Resource Management, Climate Change, Forestry, Rural Planning & Infrastructure Development, Finance & Budgeting, Administration, Wildlife Management, Media Relations, Environment Protection, Forest Conservation, Sales, Marketing, Research & Corporate Governance.	Shri Shivahare has an experience of over 37 years in the profession of Chartered Accountancy. Shri Shivahare is a senior partner in M/s. R. Gopal & Associates. Shri Shivahare is actively involved in handling major assignments, such as Statutory Audits of various PSUs and PSBs. The areas of involvement have been planning and execution of the audit assignments, participating in discussions with the Audit Committees and Boards. SAIL-Bokaro Steel Plant and Raw Materials Division, South Eastern Coalfields Ltd., Indian Bank, were some of the major assignments handled by him. Shri Shivahare was also involved in handling Internal/Systems Audit of BSNL, Mahanadi Coalfields Ltd. and various other PSUs and PSBs. He was also involved in handling tax matters of various Corporate and Non-Corporate clients having diversified business and substantial exposures towards tax.

Name & Designation	Shri Arun Kumar, Independent Director	Shri Anil Kumar Upadhyay, Independent Director	Shri Bhagawan Das Shivahare, Independent Director
Terms and conditions of appointment/ reappointment	As contained in letter bearing reference no. –C-31033/2/2018-CA/ PNG (25758) dated 12th July, 2019 from Ministry of Petroleum & Natural Gas and his appointment letter dated 23rd July, 2019.	As contained in letter bearing reference no. –C-31033/2/2018-CA/ PNG (25758) dated 12th July, 2019 from Ministry of Petroleum & Natural Gas and his appointment letter dated 23rd July, 2019.	As contained in letter bearing reference no.–C-31033/2/2018-CA/ PNG (25758) dated 12th July, 2019 from Ministry of Petroleum & Natural Gas and his appointment letter dated 23rd July, 2019.
Details of remuneration last drawn	Not Applicable	Not Applicable	Not Applicable
Details of remuneration sought to be paid	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per Meeting of Board or Committee attended by the Independent Director is paid.	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per Meeting of Board or Committee attended by the Independent Director is paid.	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per Meeting of Board or Committee attended by the Independent Director is paid.
Number of Meetings of the Board attended during the Financial Year 2018-19	Not Applicable	Not Applicable	Not Applicable
Shareholding of the Director in Balmer Lawrie & Co. Ltd.	NIL	NIL	NIL
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	None	None	None
Directorship on the Board of other Companies / offices held in other companies	1. Petronet LNG Limited- Independent Director	NIL	NIL
Membership/ Chairmanship of Committee(s) of Balmer Lawrie	None	None	None
Membership/ Chairmanship of Committee(s) of the Board of other Companies	Shri Kumar is a Member / Chairman in the following committees of Petronet LNG Limited: 1. Audit Committee- Member 2. Stakeholders Relationship Committee - Chairperson 3. Business Development & Marketing Committee - Chairperson 4. Independent Directors Committee - Member	NIL	NIL

Registered Office:
Balmer Lawrie House
21, Netaji Subhas Road
Kolkata 700 001

Date: 13th August, 2019
Place: New Delhi

By Order of the Board
Balmer Lawrie & Co. Ltd.
Kavita Bhavsar
Company Secretary

FCS No. : 4767

Form No. MGT-11

Proxy Form

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

CIN:	L15492WB1924GOI004835
Name of the Company:	Balmer Lawrie & Co. Ltd.
Registered Office:	21, Netaji Subhas Road, Kolkata 700001
Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No./Client Id	
DP. Id:	

I/We, being the Member(s) of _______________shares of the above named Company, hereby appoint

1.	Name	
	Address	
	E-mail Id	Signature
	Or failing him	
2.	Name	
	Address	
	E-mail Id	Signature
	Or failing him	
3.	Name	
	Address	
	E-mail Id	Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 102nd Annual General Meeting of the Company, to be held on Wednesday, 18th day of September, 2019 at 10.30 a.m. at G D Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To consider and adopt the Audited Financial Statements of the Company, both standalone and Consolidated, for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2019 and other Statements attached thereto along with the comments of Comptroller & Auditor General of India thereon.
2. To declare dividend for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Shri Prabal Basu (DIN 06414341), a Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Kalyan Swaminathan (DIN 06912345), a Director who retires by rotation and being eligible offers himself for re-appointment.
5. To fix remuneration of the Statutory Auditors, including Branch Auditors, for the Financial Year 2019-20.
6. Appointment of Shri Arun Tandon (DIN 08210607) as an Independent Director.
7. Appointment of Shri Arun Kumar (DIN 03570776) as an Independent Director.
8. Appointment of Shri Anil Kumar Upadhyay (DIN 07724769) as an Independent Director.
9. Appointment of Shri Bhagawan Das Shivahare (DIN 08514350) as an Independent Director.
10. Ratification of remuneration of Cost Auditor for the Financial Year 2019-20.

Affix Revenue Stamp

Signed this _____________ day of ____ 2019

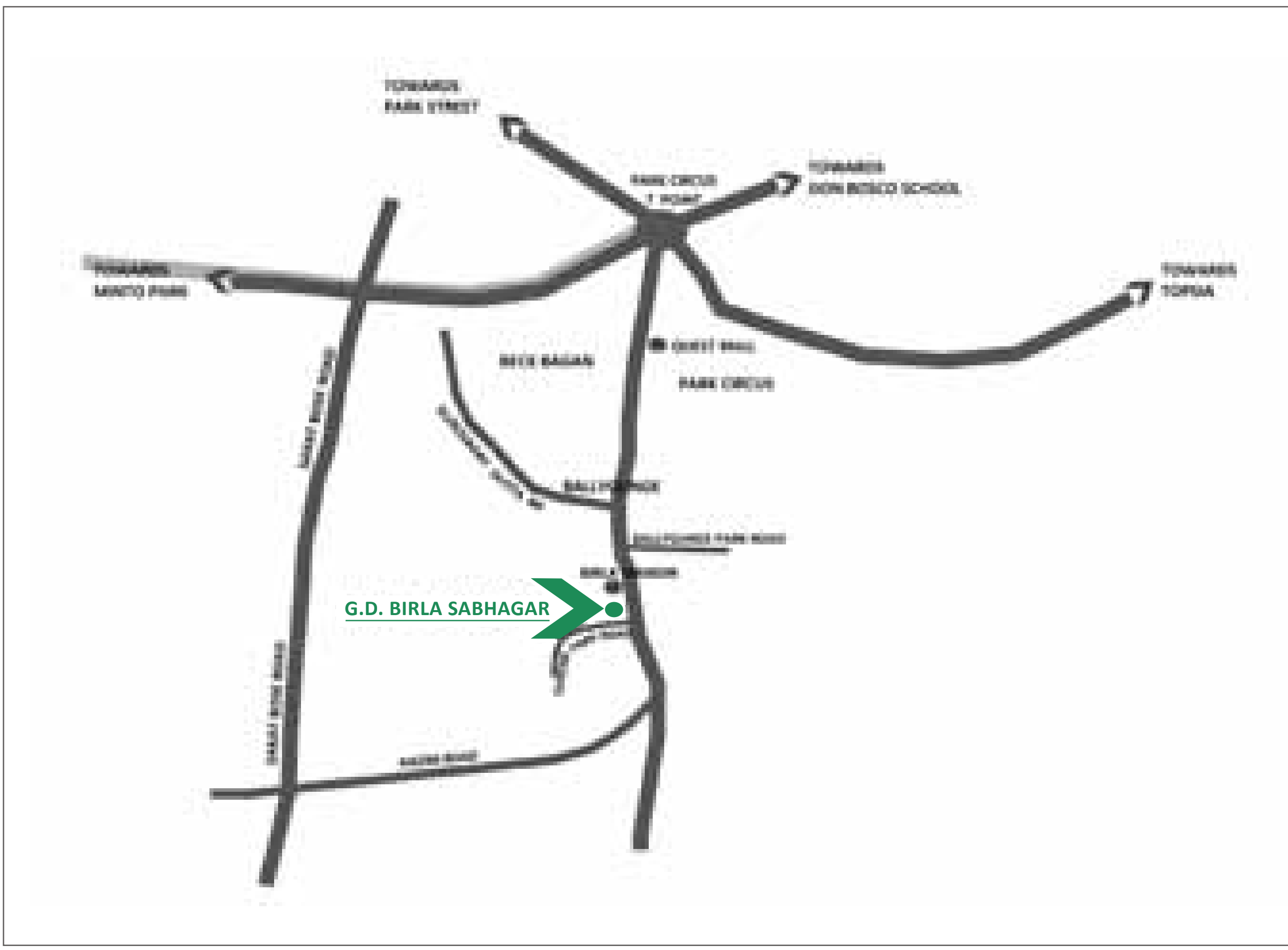
Signature of shareholder ____

Signature of Proxy holder(s) ____

Note: This form of proxy in order to be effective should be duly filled, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Balmer Lawrie & Co. Ltd.
CIN: L15492WB1924GOI004835

AGM Venue Route Map



ADMISSION SLIP

बामर लॉरी एण्ड कं. लिमिटेड
(भारत सरकार का एक उद्यम)
Balmer Lawrie & Co. Ltd.
(A Government of India Enterprise)
SINCE 1867

CIN: L15492WB1924GOI004835

Registered Office: 21, Netaji Subhas Road, Kolkata – 700 001

E-mail : sen.k@balmerlawrie.com, Phone : 033 2222 5329 : www.balmerlawrie.com

102nd ANNUAL GENERAL MEETING ('AGM')

WEDNESDAY 18TH SEPTEMBER, 2019 AT 10:30 AM

Regd. Folio/DP-ID & Client Id :

Name:

Address:

No. of shares held:

Member/Proxy who wishes to attend the meeting must bring this Admission slip and hand it over at the entrance of G D Birla Sabhagar,29, Ashutosh Choudhry Avenue, Kolkata700019.

Please bring your copy of Annual Report at the AGM. The Company shall not distribute Annual Report(s) at the AGM venue.

I/We hereby record my/our presence at the 102nd AGM or any adjournment thereof

Please sign here

बामर लॉरी एण्ड कं. लिमिटेड
(भारत सरकार का एक उद्यम)
Balmer Lawrie & Co. Ltd.
(A Government of India Enterprise)
SINCE 1867

ENTRY PASS

IF YOU WISH TO ATTEND THE 102nd ANNUAL GENERAL MEETING PLEASE PRESENT THIS PASS AT THE ENTRANCE OF G.D. BIRLA SABHAGAR 29, ASHUTOSH CHOUDHRY AVENUE, KOLKATA-700 019 AND RETAIN THIS PASS TILL THE END OF THE MEETING

Folio/DP/CL ID :

No. of shares held :

ELECTRONIC VOTING PARTICULARS

EVSN	USER ID	PASSWORD

बामर लॉरी एण्ड कं. लिमिटेड

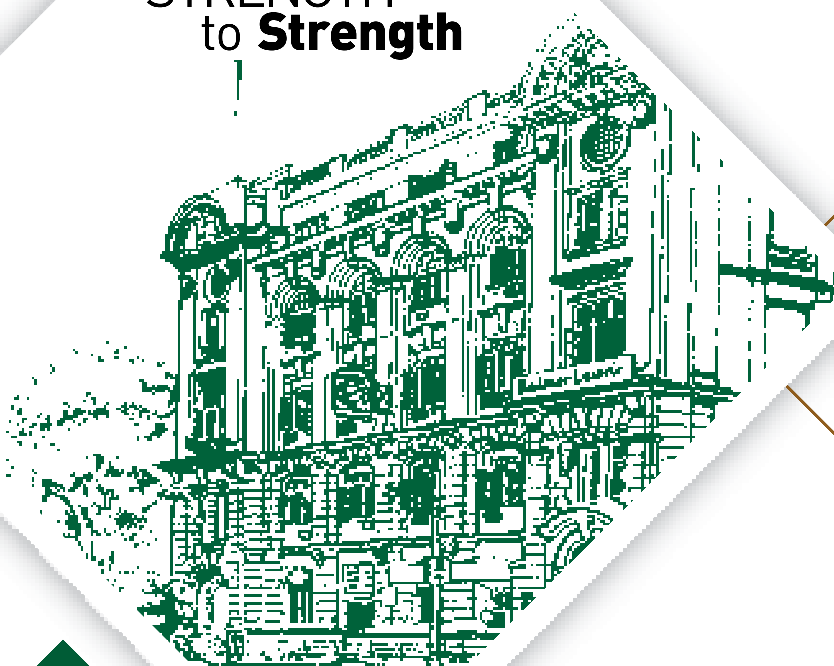
Balmer Lawrie & Co. Ltd.

(A GOVERNMENT OF INDIA ENTERPRISE)

A MINIRATNA I PSE

(Under Ministry of Petroleum & Natural Gas)

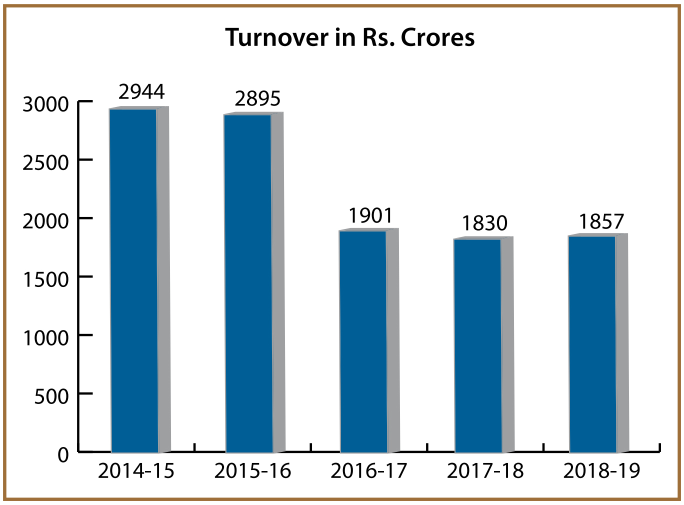
Growing from STRENGTH to **Strength**

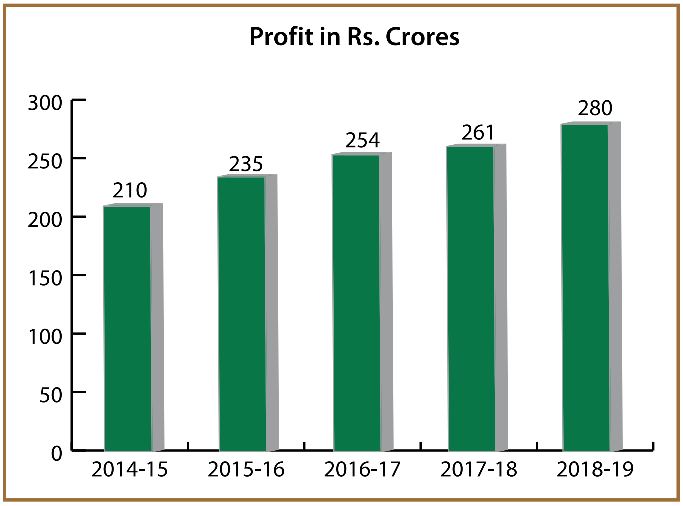


ANNUAL REPORT

2018-19

To be a leading diversified
corporate entity having market leadership
with global presence in
chosen business segments, consistently
delivering value to all stakeholders,
with environmental and social responsibility.





Through Balmer Lawrie Start-up fund, we supported Kanpur Flowercycling Pvt. Ltd., a company that converts discarded flowers into innovative products like incense, natural soap and other bio-degradable products, with Rs. 1.2 crore and RCHobbytech Solutions Pvt. Ltd., a company providing unmanned surveillance solutions, with Rs. 1.5 crore. Agreements were signed with RCHobbytech Solutions Pvt. Ltd. and Kanpur Flowercycling Pvt. Ltd. on 29th May 2018.

Balmer Lawrie had signed an MOU with IIM Calcutta Innovation Park for incubation of Start-ups on 14th September 2017. 'Start-up India', a flagship initiative of the Government of India, was launched by the Hon'ble Prime Minister of India, Shri Narendra Modi. The initiative aims at fostering entrepreneurship and promoting innovation by creating a healthy ecosystem conducive for the growth of Start-ups. In pursuance of this, under the guidance of Hon'ble Minister of Petroleum & Natural Gas, Skill Development and Entrepreneurship, Shri Dharmendra Pradhan, "BALMER LAWRIE START-UP FUND", was launched in May 2017.

"Skilling is building a better India. If we have to move India towards development then Skill Development should be our mission"

– Shri Narendra Modi
Prime Minister of India

PMKVY
प्रधानमंत्री कौशल विकास योजना
PRADHAN MANTRI KAUSHAL VIKAS YOJANA

As part of the Government of India's Skill India initiative, Skill Development Institutes are being set up at various places in the country by the member companies of the Ministry of Petroleum and Natural Gas (MOPNG), Govt. of India. As a member company of MOPNG, Govt. of India, Balmer Lawrie contributed Rs 225 Lakh for the Skill Development Institutes at Ahmedabad, Rae Bareilly, Guwahati, Bhubaneswar, Kochi and Vsakhapatnam. Balmer Lawrie is also training apprentices in line with the National Apprenticeship Promotion Scheme in the Logistics and Travel & Vacations Business Units.

स्वच्छ भारत

एक कदम स्वच्छता की ओर

It is our social responsibility as citizens of India to help fulfil Gandhiji's vision of Clean India

– Shri Narendra Modi
Prime Minister of India

As part of the Swachh Bharat Abhiyan, Balmer Lawrie sponsored the construction of 330 toilets in the states of West Bengal, Assam, Andhra Pradesh, Chhattisgarh, Haryana, Rajasthan and Maharashtra. Balmer Lawrie has also committed to maintaining the toilets for at least 5 years. Balmer Lawrie initiated a capacity building project on health and hygiene at Silvassa and has sponsored the beautification of three ghats along the river Hooghly in Kolkata during the Financial Year 2018-19.

BALMER LAWRIE & CO. LTD.

PROGRESS OVER THE YEAR

₹ / Lakhs

Year	Share Capital	Reserves & Surplus	Loan Funds	Gross block	Current Assets	Current Liabilities	Net Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Dividend (incl. Tax on div.)	No. of Employees (Nos.)
2009-2010	1629	44567	-	31088	69397	46182	110984	15298	3569	11729	4368	1415
2010-2011	1629	51755	-	33573	78133	52002	123656	18104	4995	13109	4921	1417
2011-2012	1629	60262	-	38803	87813	54166	147077	19027	5220	13807	5300	1440
2012-2013	1629	70671	-	42843	93787	55009	157205	22352	6075	16277	5869	1465
2013-2014	2850	79114	-	46923	101256	61875	159797	21962	6295	15667	6002	1431
2014-2015	2850	87456	-	60629	96704	50458	176731	21044	6300	14744	6204	1365
2015-2016	2850	96883	-	40004	108439	55349	165731	24021	7701	16320	6893	1248
2016-2017	11400	105199	-	42681	123132	57148	177946	25411	8369	17042	9650	1153
2017-2018	11400	114185	1490	46590	125436	53830	179710	26112	7630	18482	13786	1128
2018-2019	11400	118620	1367	49123	117405	52206	185672	28010	9160	18850	14710	1069

CONTENTS

Company Information	3
Management Team	4
Chairman's Address	6
Board's Report	14
Management Discussion and Analysis Report	38
Business Responsibility Report	55
Extract of Annual Return	69
Report on Corporate Governance	79
Auditors' Certificate on Compliance of Corporate Governance	106
Secretarial Audit Report	107
Certificate of Non-disqualification of Directors	111
Independent Auditors' Report on Standalone Financial Statements	112
Comments of Comptroller & Auditor General of India [C&AG]	125
Balance Sheet	126
Statement of Profit & Loss	127
Cash Flow Statement	128
Significant Accounting Policies	130
Notes to Accounts	138
Information in respect of Subsidiaries, Associates & Joint Ventures	182
Independent Auditors' Report on Consolidated Financial Statements	184
Comments of Comptroller & Auditor General of India [C&AG] - CFS	193
Consolidated Financial Statement	194
Office & Plant Locations	242

Company Information

Board of Directors	:	Shri Prabal Basu, Chairman & Managing Director : Shri D Sothi Selvam, Director (Manufacturing Businesses) : Shri Kalyan Swaminathan, Director (Service Businesses) : Shri Shyam Sundar Khuntia, Director (Finance) & Chief Financial Officer : Shri Ratna Sekhar Adika, Director (Human Resource & Corporate Afairs) : Shri Vijay Sharma, Government Nominee Director : Ms. Perin Devi Rao, Government Nominee Director : Ms. Atreyee BorooahThekedath, Independent Director : Shri Sunil Sachdeva, Independent Director : Shri Vikash Preetam, Independent Director : Shri Arun Tandon, Independent Director : Shri Arun Kumar, Independent Director : Shri Anil Kumar Upadhyay, Independent Director : Shri Bhagawan Das Shivahare, Independent Director
Company Secretary	:	Ms. Kavita Bhavsar
Registered Office	:	Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road Kolkata – 700 001
Bankers	:	Allahabad Bank : Bank of Baroda : Canara Bank : HDFC Bank Limited : IndusInd Bank Limited : Standard Chartered Bank : State Bank of India : Vijaya Bank
Statutory Auditors	:	Messrs Dutta Sarkar & Co. 7A, Kiron Sankar Roy Road, 2nd floor Kolkata – 700 001
Branch Auditors	:	**For Western Region** Messrs PM Dalvi & Co. 10, Anand Bhuvan DV Deshpande Marg Shivaji Park, Dadar West Mumbai – 400 028 : **For Southern Region** Venkat & Rangaa, LLP Majestic Apartments Flat no. 5, I Floor 13 Soundararajan Street T Nagar, Chennai – 600 017 : **For Northern Region** Messrs Kumar Chopra & Associates B-12 G.F. Kalindi Colony Near Maharani Bagh New Delhi – 110 065
Internal Auditors	:	Messrs Hari Bhakti & Co. LLP 705, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059
Registrar & Share Transfer Agent	:	**Karvy Fintech Private Limited** **Kolkata Branch** Apeejay House, Block "B", 3rd Floor, 15 Park Street, Kolkata 700 016 Tel: 033 6628 5900 **Registered Office** Karvy Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Mandal, Hyderabad - 500032 Toll Free No: 18003454001 Email:einward.ris@karvy.com

MANAGEMENT TEAM

Sl No	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2019
1.	SHRI PRABAL BASU	B.COM [HONS], ACA,ACMA,ACS, EPGM (MIT)	CHAIRMAN & MANAGING DIRECTOR	18.10.1963	04.04.1988	33
2.	SHRI D SOTHI SELVAM	B.TECH., MBA, PG DIPLOMA IN JOURNALISM & MASS COMMUNICATION	DIRECTOR [MANUFACTURING BUSINESSES]	31.07.1960	02.01.2015	36
3.	SHRI KALYAN SWAMINATHAN	B.COM,ACMA, ACS	DIRECTOR [SERVICE BUSINESSES]	15.02.1960	02.11.2009	36
4.	SHRI SHYAM SUNDAR KHUNTIA	B.Sc., FCA, CMA	DIRECTOR [FINANCE] & CHIEF FINANCIAL OFFICER	01.05.1960	28.03.2016	34
5.	SHRI RATNA SEKHAR ADIKA	B.A., MSW	DIRECTOR [HUMAN RESOURCE & CORPORATE AFFAIRS]	10.06.1964	27.01.2014	31
6.	SHRI R M UTHAYARAJA	BE. [CHEMICAL]	CHIEF OPERATING OFFICER [LEATHER CHEMICALS]	11.08.1967	31.12.2014	28
7.	SHRI ABHISHEK AGARWAL	BE (COMPUTER SCIENCE), MS (SOFTWARE SYSTEMS)	CHIEF INFORMATION OFFICER	28.01.1973	09.02.2015	24
8.	SHRI MANAS KUMAR GANGULY	B.COM [HONS], CMA[Inter]	CHIEF OPERATING OFFICER [LOGISTICS]	03.09.1968	16.03.2015	28
9.	SHRI SREEJIT BANERJEE	B.Sc., B.TECH	CHIEF OPERATING OFFICER [GREASES & LUBRICANTS]	04.06.1967	01.04.2016	26
10.	SHRI SANDIP DAS	B.COM,ACA	SENIOR VICE PRESIDENT [FINANCE]	25.12.1962	24.05.1993	30
11.	SHRI ROMON SEBASTIAN LOUIS	B.COM, PGDMM, PGDMSM	HEAD [LOGISTICS INFRASTRUCTURE]	22.11.1972	02.11.1998	25
12.	SHRI SUNDAR SHERIGAR	B.COM	HEAD [INDUSTRIAL PACKAGING]	18.02.1961	23.01.1984	35
13.	MS KAVITA BHAVSAR	B.COM [HONS], FCS, LL.B, PGDFM	COMPANY SECRETARY	11.02.1968	08.12.2014	29

Sl No	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2019
14.	SHRI AMIT KUMAR BASAK	M.Ch.E., MBA [Fin]	HEAD [TECHNICAL]	04.01.1962	08.10.1987	33
15.	MS SANDHYA MALIK	MA [ENG], DIP [TRAVEL & TOUR-ISM]	HEAD [TICKETING]	24.09.1959	08.09.2015	35
16.	SHRI RAJ KUMAR MAITY	B.E. (Mech), EXE MGT (GENL MGT, STRATEGY)	VP & BUSINESS HEAD-VACATIONS	31.12.1974	31.10.2011	20
DEPUTED / SECONDED FROM BALMER LAWRIE TO JOINT VENTURE COMPANY						
1.	SHRI SANTANU CHAKRABARTI	BE	CHIEF EXECUTIVE OFFICER -TSL	05.10.1961	16.09.2002	36
DEPUTED FROMTHE GOVT. OF INDIA TO BALMER LAWRIE						
1.	SHRI VINOD KUMAR - IFS	M.Sc. IN SOIL SCIENCE & AGRI. CHEMISTRY	CHIEF VIGILANCE OFFICER	11.04.1963	10.10.2018	32

CHAIRMAN'S ADDRESS

Good Morning Esteemed Members

It gives me immense pleasure in welcoming you all to the 102nd Annual General Meeting of the Company. In its journey of 152 years, your Company has witnessed many historical moments of the country. It has also seen closing of licence raj, opening up of economy, economic liberalization, transition from the Indian Companies Act, 1913 to the present Companies Act, 2013, introduction of Goods & Service Tax (GST), introduction of Insolvency and Bankruptcy code etc. It has been an incredible journey filled with challenges, opportunities and change. Very few Indian companies have seen all of these. India has around three dozen century-old companies that are listed and still actively traded. We are one of them.

Though we are very proud of our glorious past and heritage, we do not believe in resting on our laurels. We continue to earn profits by pro actively seizing the opportunities in the present, such that we are able to live up to our commitment to all stakeholders in the future. In our pursuit to sustain our market leadership in chosen business segments, we have recently launched the new avatar of our travel portal, "FlylikeKing.com". Further, to maintain our position as India's largest 210L MS Drum manufacturer, we have inaugurated the new Industrial Packaging plant for steel drum manufacturing in Vadodara, Gujarat. We are constantly innovating and leveraging our strengths to be a future ready company.

The agenda is set out in the Notice of the meeting. Before we begin, I would like to take this opportunity to express my gratitude to all of you for your continued support and trust that you have placed in this Company. May I now present the Annual Report of 2018-19 and brief all concerned stakeholders about the Company's performance during the financial year 2018-19.

THE BUSINESS ENVIRONMENT

During the last five years, India's economy has done well. By opening up several pathways for trickle-down, the government has ensured that the benefits of growth and macroeconomic stability reach the bottom of the pyramid. One such initiative is the promulgation of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits, and Services) Act, 2016. The linking of mobile numbers with bank account numbers and subsequently Aadhaar, created a JAM (Jan Dhan, Aadhaar, Mobile) trinity that further secured Direct Benefit Transfers (DBT) to the intended beneficiaries.

Further, average inflation in these five years was less than half the inflation level of the preceding five years, matching the lowest levels attained in the country's post-independence period. India took a few giant strides forward and became the sixth largest economy by sustaining growth rates higher than China, thereby earning the epaulette of being the fastest growing major economy in the world.

As articulated by Hon'ble Prime Minister, Shri Narendra Modi, India aims to grow into a USD 5 trillion economy by 2024-25, which will make India the third-largest economy in the world.

India continued to remain the fastest growing major economy in the world in 2018-19 despite a slight moderation in the GDP growth from 7.2% in 2017-18 to 6.8% in 2018-19. The moderation in the economic growth was due to lower growth in “agriculture & allied”, “trade, hotel, transport, storage, communication and services related to broadcasting” and “public administration & defence sector”. From the demand side, the moderation was primarily due to deceleration in private final consumption in the last two quarters of 2018-19. However, India maintained its macroeconomic stability by containing inflation within 4% and by maintaining a manageable current account deficit to GDP ratio.

The service sector continued to outperform agriculture and manufacturing sector growth and contributed more than 60% of the Gross Value Added growth.

The outlook of the economy appears bright with prospects of pickup in growth in 2019-20 with an expectation of increase in private investment and consumption.

Against the aforesaid macro-economic backdrop, it was seen that the core competency of the Company lies in its ability to handle multiple diversified businesses in a manner to keep the top and bottomline healthy, despite adverse fluctuations in the business segments.

INDUSTRIAL PACKAGING [SBU: IP]

The Indian Packaging industry can be broadly segmented into Industrial and Consumer Packaging consisting of Rigid and Flexible sub-segments. Rigid Industrial Packaging can be further segmented based on size, type, material etc.

Your company is the market leader in 210L Mild Steel (MS) Drum industry with a market share of more than 34%. The Strategic Business Unit (SBU) operates through seven manufacturing plants on pan India basis which include the state-of-the-art facility at Navi Mumbai. A new manufacturing facility has been set up at Vadodara, Gujarat in the current financial year.

The SBU manufactures high quality products ranging from Open-Head, Tight-Head, Plain, Lacquered, Composite, Galvanized, Tall, Necked-In and Conical Drums catering to diverse industry segments and the esteemed customers in these segments. These products are utilized for packaging Additives, Chemicals, Lubricants, Food & Fruit Pulp, Edible Oils and various Liquid and Semi Liquid substances.

Balmer Lawrie’s Industrial Packaging is acclaimed for superior product quality, high reliability in supplies, modern manufacturing systems and customer centric experienced personnel. It enjoys a high brand value, large, diverse and growing customer base and pan India presence. Its focus on continuous improvement, quality assurance, innovation and sharp focus on Sustainability and HSE helps in having an edge over competition.

During the year 2018-19, the Asaoti plant was rated for Silver Category under National Award for Manufacturing Competitiveness. It has received a Silver Rating from Eco Vadis – a global solution provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

The MS drum industry is a proxy for manufacturing industry. The key industry segments, which are catered to include Lubricants, Chemicals & Agrochemicals, Food & Fruits, Transformer Oil, Additives and Bitumen & Bitumen Emulsion. With the Indian economy in the growth trajectory, the demand for MS drums is expected to continue registering growth in the coming years.

GREASES & LUBRICANTS [SBU: G&L]

The lube market in India is expected to grow at a CAGR of around 4% over the next three to five years, with the Automotive segment accounting for 60-65% and the Industrial segment accounting for 35-40% of the market. India is the third largest lubricant market after China and USA. With an estimated finished lubricant market size of around 1800 Million Litres, the lube market in India is valued at approximately USD 5 Billion. The competition in the market is intense with global players and local manufacturers putting up aggressive strategies for increasing their market share. BP Castrol, Exxon Mobil, Shell, Gulf, Total & Petronas are some of the major global players while the local manufacturers consist of IOCL, BPCL, HPCL, Tide Water, Savita, Apar etc. The business of SBU: G&L may be divided into:

The business of SBU: G&L may be divided into:

a) Contract Manufacturing and Processing

Although the volumes have come down significantly, despite low margins, the SBU continues to remain in this segment in order to improve its capacity utilization.

b) Direct Sales

The SBU's shift in focus to profit making non-tender businesses against volume-driven aggressively priced tender businesses has resulted in negative volume growth but a substantial jump in Profit.

c) Channel Sales (Automotive and Industrial)

The SBU has witnessed a stagnation in Channel Sales as compared to last year mainly because of a sluggish automotive demand in last 3 quarters of FY 2018-19 coupled with fierce competition and sales promotion from MNCs. PSU Oil companies tried to play on huge discounts to keep their sales intact. The SBU's small pack sales registered a growth over FY 2017-18 and it increased the number of Retail Outlets selling Balmerol brand, which contributed in increasing the profitability. The Balmerol brand has been recognized as one of India's Best Brands in 2019 by The Economic Times.

All the units of the SBU are certified for quality system management and periodic/ recertification audits were conducted at all the units for IMS 2015 (ISO 9001-2015, ISO14001:2015 and OHSAS 18001:2007). The Silvassa unit is additionally certified to ISO-TS 16949:2016 Quality Management System specifically for the automotive sector.

LEATHER CHEMICALS [SBU: LC]

The basic raw material for the leather industry are hides and skins, which is a by-product of the meat industry. The leather industry is bestowed with an affluence of raw materials. Export of raw hides and skins is banned in India to ensure that the value addition through conversion of hides and skins into leather happens within the country, thereby generating considerable employment opportunity.

The annual leather production is around 3 Million Sq.ft for catering to the domestic as well as export requirement, of which exports is valued at around USD 6 Billion. The leather Industry holds a prominent place in the Indian economy and is among the top ten foreign exchange earners of the country. It is an employment intensive sector, providing jobs to about 4.5 million people, mostly from the weaker sections of the society of which 30% workforce is predominantly women.

India is the second largest producer of footwear and leather garments in the world and fifth largest producer of leather goods. Footwear export accounts for a major share in India's total leather and leather product export. India is the second largest exporter of leather garments and third largest exporter of Saddlery and Harness in the world.

The major players in the leather chemicals sector offer products for processing of leather during beamhouse, wet-end and finishing stages. The leather chemicals business is dominated by MNCs apart from select few reputed domestic players such as Balmer Lawrie. Technical services and marketing support are rendered directly by the chemical companies while availability of products to customers is rendered through a network of distributors. Developing leather samples for the tanneries based on the changing needs of their buyers is the common approach of the leather chemical companies for generating business.

Considering the potential of the leather sector in terms of exports and employment generation, the Government has identified the leather sector under its "Make in India" program and has already sanctioned ₹ 2600 crore for upgradation of the industry. With the Government's interventions and measures, the industry can seek to enhance its productivity and global competitiveness, capitalizing immensely from its growing domestic customer base.

Substitutes such as artificial leather and the growing environmental issues with respect to processing of leather are the major threats being faced by this industry. With sustainability being the key driver in the future, using natural products against artificial and synthetic leather will gain prominence provided the environmental impact from processing of leather is controlled and reduced through better and efficient effluent management systems.

SBU: LOGISTICS

Logistics Infrastructure (LI)

Logistics Infrastructure and Logistics Services verticals continue to drive the bottomline of the Company. Logistics infrastructure which is combination of road, rail, air and waterways is considered as the backbone of the economy, providing efficient and cost effective flow of goods on which other commercial sectors depend. The Logistics industry in India, which started evolving rapidly in the past decade, has been an interplay of infrastructure, technology and new types of service providers, which together work to reduce the logistics costs. It is estimated that India's Logistics industry will continue to grow at a rate 10-12% annually, at about 1.5 times the GDP growth rate. The Logistics Infrastructure business consists of four main segments:

a. Container Freight Stations (CFS) typically set up in the vicinity of Ports

b. Warehousing & Distribution (W&D)

c. Temperature Controlled Warehouses (TCWs) - Cold Chains

d. Multi Modal Logistics Hub (MMLH)

a. CFSs are an extended arm of the port set up primarily with a view to decongest ports. A CFS provides an integrated platform for activities such as loading/unloading, transporting, stuffing, de-stuffing of containers etc. Presently, the Company has three state-of-the art CFSs located at Nhava Sheva (Navi Mumbai), Chennai and Kolkata. The volumes moved to CFS from Port in these three cities went down by 2% during 2018-19 as compared to the earlier year. The main reason for the lower movement of boxes to CFSs was the implementation of Direct Port Delivery (DPD) at Nhava Sheva and Chennai locations.

   During the year, the CFS business could not grow in volume, revenues and earnings as compared to the previous year primarily due to adverse impact of the policies being implemented by the Government for promoting DPD on the CFS industry and the competitive scenario prevailing in the industry. The Company was able to however, retain its present set of customers and contain the adverse impact of the change in policy / approach of the Government.

b. Warehouses are the vital pillars of the supply chain for any company for an effective distribution of its products from factories to shops. Companies might own or lease spaces, but all of them need well-oiled warehouses to keep their supply chain spiffy.

   The Company's Warehousing and Distribution facilities are presently available at Kolkata and Coimbatore.

   The Company has successfully won a contract for providing Central Warehousing in AMTZ which is developed by the Government of Andhra Pradesh for setting up a medical equipment manufacturing zone. The Company is operating on Build, Operate, Manage and Maintain model. The unit is expected to be commissioned during the current Financial Year. Warehousing activity continues to perform well during the year due to better utilisation of space.

c. Cold chains help in storage and distribution of products that have to be maintained at a given temperature. The Indian cold chain market was worth INR 1,121 Billion in 2018. The market is further projected to reach INR 2,618 Billion by 2024, growing at a CAGR of 14.8% during 2019-24. India's cold chain industry is still evolving, not well organized and operating below capacity. The Indian cold chain market is highly fragmented with more than 3,500 companies in the whole value system. The industry has now become an integral part of the supply chain industry comprising of refrigerated storage and refrigerated transportation. In addition to the two TCWs (Hyderabad and Rai) which are operational, the TCW at Patalganga was successfully commissioned in the month of December'18, and has already started commercial operation. Apart from the existing 3 TCWs, a proposal for setting up a new TCW at Bhubaneswar has been approved by the Board. This is being set up in the Chatabar region which is around 20 Km from Bhubaneswar and it is expected to be fully operational in early FY 2020-21.

d. Balmer Lawrie also set up a Multi Modal Logistics Hub (MMLH) at Visakhapatnam in a joint venture (JV) with M/s Visakhapatnam Port Trust (VPT). Based on the MOU signed with VPT, land of approximate 53 acres was allotted to the JV by VPT for setting up the MMLH. License to operate a CFS in MMLH complex has still not been received and hence, only non CFS operations are being presently carried out. Concerted efforts are being made to get the licence soon. The Company also manages Integrated Check Posts (ICPs) and is presently managing ICPs at Jogbani and Raxaul.

LOGISTICS SERVICES (LS)

In India, the logistics industry continues to grow and prosper due to the growth in retail, e-commerce, manufacturing and various other sectors. The phenomenal rise in e-commerce and increased domestic consumption is expected to aid the growth of the logistics sector. The primary elements of logistics cost are transportation through rail, road, air and water, inventory management and warehousing. The logistics industry nowadays witnesses a high usage of IT infrastructure and software to provide quality services to its users. Logistics firms are expected now to provide end to end supply chain solutions to their customers rather than being just a service provider.

With the entry of global giants and large Indian corporate houses, the industry has become highly competitive. A number of significant mergers and acquisitions have taken place in recent times which is ultimately leading to consolidation of the industry at various levels and segments. The industry is moving towards an organized set up with the global giants focusing on increasing their presence in India. Traditional small freight forwarders are under threat by new business models being established. Logistics industry has been growing as it is now possible to reach any two destinations with alacrity - unseen and unheard of a couple of decades ago. Since digitization kicked off, growth and speed has become even more noticeable.

Digital transformation in “freight forwarding”, where your Company is primarily into, has changed the way the transactions are carried out. Most of the processes which were done manually in the past are now mechanised, which can actually significantly reduce the operational costs. This provides a big opportunity for the organised players in the market. The sales and marketing landscape has changed dramatically. The customer now controls the buying process much more overtly than ever before with the intention of cutting down costs and eliminating middle men. Carriers, Customs House Agents (CHAs), Container Freight Stations play a less decisive role in freight movement. The Project Logistics segment has faced some headwinds because of a downturn in the capex spend across India. Your Company expects a revival in the targeted sectors- EPC, fertilisers and defence. These sectors will offer a good scope for Project logistics movements where your Company is interested.

Air freight services continues to be a dominant activity of the SBU and contributes to around 2/3rd of the SBU’s overall topline. Other than Air Import and Air Export freight services, Air Chartering activity has contributed around 3% to the topline.

Sluggish economic conditions coupled with severe price competition both in air freight and ocean freight were primarily responsible for the lack of growth in turnover. Bottomline of the SBU was about 10% down compared to the previous year due to reduction in gross margins.

Reliance on the Government and PSU business is a major risk. Major import shipments are getting converted to Cost Insurance Freight (CIF) from Free on Board the ship (FOB) as most of the customers would like to give the responsibility for movement to the supplier than to engage a Freight Forwarder (FF). This reduces the scope and business of specialist FFs like your Company.

TRAVEL & VACATIONS [SBU: T&V]

Ticketing

India is currently considered as the third largest domestic civil aviation market in the world. Balmer Lawrie is one of the leading Travel Management companies in India catering to a large section of Government and PSU customers with 12 IATA branches across the country. The SBU has continued to perform well and shown remarkable consistency both in turnover & profit for the past two years.

This vertical primarily issues tickets for both domestic and foreign trips. Besides, the facilitation work and other peripheral services like arranging for visa, hotel, car etc. are also done by the vertical. As travelling per se is not diminishing, this business has abundant growth opportunities. Development of airports, expansion of airports, severe competition among the airlines, increasing number of middle class families, higher disposable income etc. contribute to the growth of this industry.

The SBU is vigorously promoting the Self Booking Tool (SBT) for large organisations / corporates like SBI, GAIL, IOC, Power Grid etc. Under this mode, the customers have complete visibility on the fares charged by various airlines which provides the much needed transparency to the transactions. Once the customers are satisfied that the fares charged are the same as what the airline has charged the agent, the relationship becomes strong and more and more business flow in. This tool avoids manual intervention besides capturing all the details of booking, cancellation, payment etc. on real time basis. The same can be accessed any point of time aiding in a digital transformation of this business vertical.

There is an alarming trend of decrease in commissions and margins due to the abrupt withdrawal of Jet Airways from the skies. This also led to a sharp increase of almost 35% in fares for international journeys.

Air Space closure too has greatly impacted all carriers flying to the west and major airlines specially Air India are suffering huge losses.

The Ticketing vertical has been operating primarily in the areas of ticketing for Corporates / Govt clients, LTC tickets for Government servants/their families and walk-in clients – offline and online in B2C segment. This vertical achieved a 14% growth in travel volumes during the year 2018-19. With tremendous growth potential in the industry and head room available for growth in B2C segment, your Company is confident of further growth and maintaining the profitability momentum witnessed in the last couple of years with a transparent pricing mechanism.

Most of the agents and OTAs do not make profits/ make only less profits. Despite this trend, this vertical made almost similar profits as the previous year after registering an increase of 6% in net sales over the last year. The trend of airlines squeezing costs by reducing the commission, Productivity Linked Bonus and segment fees continue.

There is an increasing trend to deal with just one Global Distribution System (GDS) player by some airlines by renegotiating commercials. This may actually mean that most of the travel agents will have to deal with more than one GDS at any given time leading to higher initial costs and more integration issues besides inferior commercials.

Most of our customers do not pay service charges which makes it tough to remain viable. Some customers also pay after 60 days while the airlines receive money instantly or in 10 days time for the tickets booked leading to a huge gap in working capital management.

Your Company is trying its best to manage the concerns by increasing the volumes in B2C business besides adding new customers with better commercials.

With travel technology changing rapidly in the market, this vertical is also in the process of upgrading its mid office software to provide cost effective and best in class solutions to its customers.

Vacations

In India, the Tourism sector had been performing well with Foreign Tourist Arrivals (FTAs) growing at 14% to 10.4 million and Foreign Exchange Earnings (FEEs) growing at 20.6% to USD 28.7 billion in 2017-18. However, the sector witnessed a slowdown in 2018-19. The Foreign Tourist Arrivals (FTA) in 2018-19 stood at 10.6 million registering a small growth of 2.1% only over 2017-18. Outbound tourism increased in recent years, with the number of departures of Indian nationals going up steadily. Presently it is more than double the foreign tourist arrivals in India.

The Government has also been making serious efforts to boost the tourism sector like Infrastructural upgrade of new airports, expansion of road network (NH expansion), e–Visa facility to the nationals of 163 countries and launch of several branding and marketing initiatives such as 'Incredible India!' and 'Athiti Devo Bhava' which has been providing the necessary impetus to growth.

The Travel and Tourism industry is highly fragmented and competitive comprising reputed large MNCs, small & medium sized domestic/regional companies as well as small local outlets. Organized large players primarily generate demand through innovative marketing campaigns and attractive pricing strategy, while small and medium sized local/regional companies play by providing highly customized personal level services and by keeping their overheads at the lowest possible level.

The Vacations vertical of the Company has researched and accordingly planned strategic actions to leverage on the growing market demand and favourable government initiatives. The products are designed in line with the current market trends and priced competitively. Suppliers across the globe are selected with great detailing to ensure high level of service quality and cost effectiveness. Manpower is trained to provide wide spectrum of end to end niche services to its retail and corporate customers.

India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism. India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey.

Additional growth opportunity exists in Corporate Business and MICE (Meetings, Incentives, Conferences, Events) and the Vacations vertical is actively participating and winning tenders in this segment.

The discretionary nature of leisure travel, unfavourable & volatile currency, unavailability of trained and skilled manpower, under cutting of prices by large players by way of offering huge discounts and aggressive marketing by not only online travel companies but also by big MNCs may pose significant challenges for the business in the short, medium and long term.

Refinery and Oil Field Services [SBU: ROFS]

SBU: ROFS is engaged in oily sludge processing for refineries and oil exploration companies and recovery of useful and valuable hydrocarbons for reuse. It is not only generating valuable hydrocarbons but also eliminating the environmental hazard from untreated sludge. The SBU is the pioneer in mechanized oily sludge processing in India and maintains leadership position with around 70% marketshare.

By virtue of being a pioneer with patented technology back up, the SBU could process a substantial amount of oily sludge during the past two decades and have developed a loyal list of satisfied clientele, which drives the business. The SBU has an exclusive license agreement with its technology partner based in Europe who has developed the patented BLABO process, which enjoys technical superiority over other processes across the globe.

To maintain its competitive edge in the market, the SBU is focused on technology upgradation to stay at par with global standards. The upgradation is being done in close association with its technology partner and investments are being made for acquiring the latest technologies coupled with latest software and other separation equipment. The SBU is also looking towards augmentation and diversification of its service offerings to cater to the needs of related/allied sectors and new areas to fuel business growth.

This being a specialized field,the SBU constantly faces challenges with respect to availability of trained and skilled manpower for carrying out on site operations. Though technology acts as an entry barrier, small players with average technology are trying to make inroads by offering competitive prices.

The periodic maintenance work undertaken by companies in the Oil Industry as per OISD guidelines will contribute to the demand for this business in future years.

Moreover, stricter norms put in place by the pollution control boards, greater awareness and concern for the environment and the need for sustainable and responsible business will drive the future demand for treatment of hazardous oily sludge in refining and oil exploration companies.

The major risk foreseen by the SBU is the entry of new competitors in the market as well as emergence of newer technologies for sludge processing. Along with local players, multinational companies through their associates in India are exploring opportunities in this sector.

OVERALL FINANCIAL PERFORMANCE

Your Company recorded net turnover of ₹ 1,857 Crores during 2018-19 as against ₹ 1,796 Crores in 2017-18 registering an increase of approximately 3% above last year. Further, the Company recorded a Profit Before Tax of ₹ 280.10 Crores in 2018-19 as against ₹ 261.11 Crores in 2017-18, the increase being attributable to improved performance of various SBUs, particularly, SBU: Travel & Vacations, Greases & Lubricants and higher dividend income earned during 2018-19.

CORPORATE GOVERNANCE

Corporate governance essentially involves balancing the interests of your Company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community. Your Company's culture, policies, relationship with stakeholders and loyalty to values is reflected in the Corporate Governance Report. Following are the five pillars of Governance that the Company conforms to as a part of its commitment to adopt global best practices –

- High accountability to its stakeholders.
- Absolute transparency in its reporting system and adherence to disclosure compliance.
- High ethical standards in the conduct of business with due compliance of laws and regulations.
- Enhancement in the stakeholders' value on consistent basis.
- Contributing to the enrichment of quality of life of the community through discharge of Corporate Social Responsibility and promotion of Sustainable Development.

The Companies Act, 2013 is being amended almost regularly. Similarly Listing Regulations, are also amended frequently. Your Company is making best efforts to adapt and comply with the changing statutes and continues to comply with the Corporate Governance guidelines/ norms to the extent within its control.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Our Corporate Social Responsibility (CSR) projects aim at transforming the lives of the underprivileged and enhance collective community well-being in and around our work centers. In line with this and the various programs initiated by the Government of India like the Clean India Mission and Skill Development program, Balmer Lawrie has been driving various CSR projects independently around its units and establishments across the country. Balmer Lawrie's CSR initiatives are driven by two Flagship Programs - Balmer Lawrie Initiative for Self-Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. While the first Program is directed at providing and improving the long-term economic sustenance of the underprivileged, the second Program aims at improving the living standards and quality of life of population in and around the Company's work-centers. In pursuance of these Programs, the Company has undertaken several community development projects, partnering with various agencies. The focus areas for the Schemes under the Programs, amongst others, have been on education, healthcare, sanitation, integrated village development, and environmental protection. As part of the various community involvement activities, a sit and draw competition along with an awareness session for adolescents and school teachers were organised for school students of Government schools at Joynagar, South 24 Parganas, West Bengal; a drawing competition and an orientation on health and hygiene was organised for under privileged children at Bantala, Kolkata. As part of the Swachh Bharat initiative, your company sponsored the beautification of three Ghats along the Hooghly river. Two toilet blocks were constructed during the FY 2018-19, one in Panvel in district of Raigad, Maharashtra and the other toilet block was built for boys in Thiru Kamraj Municipal Higher Secondary School in Villupuram district of Tamil Nadu.

Through the various CSR programs, the Company has constantly endeavored to integrate the interest of the business with that of the communities that form part of the areas in which it operates. A total sum of ₹ 516.23 Lakh was spent during the year 2018-19, towards programs like Swachh Bharat Abhiyan, Education and Child Sustenance, Health, contribution to Skill Development Institutes etc.

ACKNOWLEDGEMENT

I thank all of you for your presence here today. I will always look forward to your continued support and best wishes. On behalf of the Board of Directors, I would like to convey our sincere gratitude.

I acknowledge the continued support and guidance of our Administrative Ministry, the Ministry of Petroleum & Natural Gas, for the guidance and encouragement provided to your Company. I also wish to thank other Ministries of the Government of India and other Governmental authorities for their co-operation.

I would also like to thank our holding company, Balmer Lawrie Investments Ltd., our valued shareholders, customers, vendors, business associates, bankers, financial institutions and other stakeholders for their continued support and co-operation.

Finally, I must convey my gratitude to my colleagues on the Board for their wise counsel and valued involvement. We are extremely grateful for your presence today.

Prabal Basu
Chairman & Managing Director

Date : 13-08-19

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting the 102nd Report on the operations and results of your Company for the Financial Year ended 31st March, 2019, together with the Audited Financial Statements, Auditor's Reports and the Comments of Comptroller & Auditor General of India on the Accounts of the Company and other statements/ reports attached thereto.

FINANCIAL SUMMARY & HIGHLIGHTS

(₹ in Lakh)

	STANDALONE FINANCIAL RESULTS Year ended 31st March		CONSOLIDATED FINANCIAL RESULTS* Year ended 31st March	
	2019	2018	**2019**	2018
Surplus for the year before deduction of Finance Charges, Depreciation and Tax	31238	29191	28401	26943
Deduct there from :				
i. Finance Charges and Depreciation	3228	3079	3743	3113
ii. Provision for Taxation	9160	7630	8547	7349
Profit after Tax (PAT)	18850	18482	16111	16481
Add : Transfer from Profit & Loss Account	74713	65882	93732	84425
Total amount available for Appropriation	**93563**	**84364**	**109843**	**100906**
Appropriations :				
Dividend @ ₹ 10.00 (Rupees Ten) per equity share (post bonus)	11400	7980	11400	7980
(previous year ₹ 7.00 (Rupees Seven per equity share)				
Corporate Tax on Dividend	2413	1670	2413	1670
Transfer to General Reserve	–	–	–	–
Other Adjustment	0	1	-3944	-2476
Minority interest / Foreign Exchange Conversion Reserve etc.	–	–	–	–
Surplus carried forward to next year	79750	74713	99974	93732
Total of Appropriation	**93563**	**84364**	**109843**	**100906**

***The Board's Report is based on standalone financial statements of the Company and this information is given as an added information to the members.**

Overview of the state of the Company's Affairs

- The Company recorded net turnover of ₹185672.35 Lakh during 2018-19 as against ₹179600.39 Lakh in 2017-18 registering an increase of approximately 3% above last year.
- The Company recorded a Profit Before Tax of ₹28010.48 Lakh in 2018-19 as against ₹26111.51 Lakh in 2017-18. The increase being attributable to improved performance of various SBUs, particularly SBU: Travel & Vacations and Greases & Lubricants and higher dividend income during 2018-19.

Transfer to Reserves

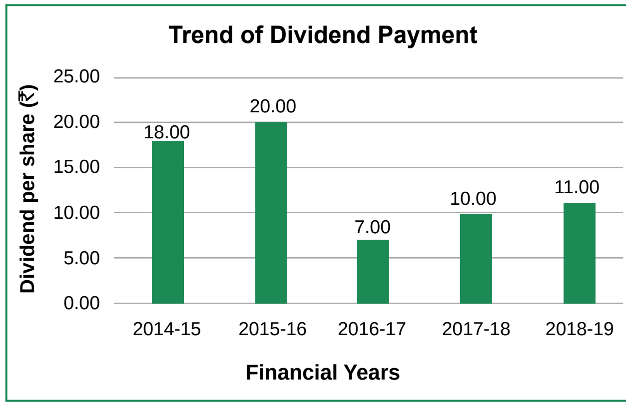
The Reserve and Surplus of your Company increased to ₹118620 Lakh as on 31st March 2019 compared to ₹114186 Lakh as on 31st March 2018. During the Financial Year 2018-19, no amount has been transferred to General Reserve.

Share capital

The paid up Equity share capital of the Company as on 31st March, 2019 stood at ₹1,14,00,25,640 consisting of 11,40,02,564 Equity Shares of ₹10/- each fully paid up. During the year, the Company has not issued any share with differential voting rights nor has granted any stock option or sweat equity share.

Dividend

A dividend of ₹ 11/- (Rupees Eleven only) per fully paid up Equity Share, on the entire equity share capital of the Company has been recommended by the Board of Directors for Financial Year 2018-19, for declaration by the Members at the ensuing 102nd Annual General Meeting (AGM) to be held on 18th September, 2019. The dividend, if declared at the ensuing 102nd AGM, will be paid with in statutory time limit of 30 days from the date of such declaration either by way of warrant, demand draft or electronic mode to those Shareholders who would be holding shares of the Company as on 11th September, 2019, End of Day. In respect of shares held electronically, dividend will be paid to the beneficial owners, as on 11th September, 2019, End of Day as per details to be furnished by their respective Depositories, i.e., either Central Depository Services (India) Ltd. or National Securities Depository Ltd. The trend of past dividend payment is depicted below:



Note: The dividend for the financial years(s) 2016-17 onwards is on the increased paid up capital upon issue of Bonus shares.

DIVIDEND DISTRIBUTION POLICY

Your Company had formulated a Dividend Distribution Policy in the year 2016. The said Policy has been uploaded on the Company's website at the link:

http://www.balmerlawrie.com/app/webroot/uploads/DIVIDEND_DISTRIBUTION_POLICY.pdf

It may be pertinent to mention that this provision under Reg. 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is applicable to top five hundred listed entities based on market capitalisation (Calculated as on 31st March of every Financial Year). As on 31st March 2019, the Company does not fall in the said list.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

No material change(s) and commitments have occurred after the close of the Financial Year 2018-19 till the date of this Report, which could affect the financial position of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) is attached separately as **'Annexure- 1'**.

CONSOLIDATED FINANCIAL STATEMENTS

The Financial Statements and Results of your Company have been duly consolidated with its Subsidiaries, Associates and Joint Venture Companies pursuant to applicable provisions of the Companies Act, 2013 & allied Rules, the LODR and Indian Accounting Standards (Ind-AS).

Further, in line with first proviso to Section 129(3) of the Companies Act, 2013 read with the Rules thereon, Consolidated Financial Statements prepared by your Company includes a separate Statement in Form 'AOC-1' containing the salient features of the Financial Statement of your Company's Subsidiaries, Associates & Joint Ventures which forms part of the Annual Report.

REPORT ON SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE IN THE COMPANY

During the current Financial Year, the Company has revised the policy for determining material subsidiaries in terms of the amended LODR. The policy as approved may be accessed on the Company's website at the link:

http://www.balmerlawrie.com/app/webroot/uploads/Policy_on_Determining_Material_Subsidiary-BL.pdf

As per the aforesaid policy none of the subsidiaries appear to be material subsidiary of your Company.

FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

In line with the provisions of Section 136 of the Companies Act, 2013, your Company has placed separate audited accounts of each of its subsidiaries on its website - www.balmerlawrie.com. Members shall be provided separate financial statement of each of the Subsidiary Companies as per requisition made by them in writing.

A brief write up about the Subsidiaries, Associates and Joint Venture Companies of your Company inter-alia reporting about their respective performance, financial position and other significant events is presented hereunder:

BALMER LAWRIE (UK) LTD. [BLUK]

Balmer Lawrie (UK) Ltd. (BLUK) is a 100% subsidiary of your Company incorporated in the UK. The subsidiary had previously been engaged in the business of Leasing & Hiring of Marine Freight Containers as also in Tea Warehousing, Blending and Packaging.

After exiting these businesses, BLUK has been utilizing the proceeds to fund other business opportunities. BLUK has to date invested approximately US$ 2.01 million equivalent to Indonesian Rupiah 21.0 billion in PT. Balmer Lawrie Indonesia (PTBLI) – having its registered office at Jakarta, Indonesia – which represents 50% of the paid – up equity share capital of the Joint Venture (JV) company. Balance 50% of the paid up share capital of PTBLI is subscribed by PT. Imani Wicaksana of Indonesia. PTBLI is engaged in the manufacture and marketing of greases and other lubricants in Indonesia. The operations at the plant have now stabilized and the JV is actively trying to get a foothold in the challenging Indonesian lube market.

During the year under review, Balmer Lawrie had initiated steps for closing operations of BLUK and is in the process of getting necessary statutory clearances from authorities in the United Kingdom. As part of this process, the shares of PTBLI has been transferred to Balmer Lawrie during the year under review. It is felt that the process of voluntary winding of the company would be completed during FY 2019-20.

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED [VPLPL]

As part of the Strategic plan, your Company has been consistently looking for opportunities for growth in the Logistics sector. In this context, a Joint Venture was formed in the name of VPLPL with Visakhapatnam Port Trust (VPT) contributing 40% of equity and the remaining 60% being funded by your Company to set up a Multi Modal Logistics Hub (MMLH) in Visakhapatnam on 53 acre land allotted to the Company by VPT. This MMLH was built to handle both Exim and domestic cargo. Exim area will have CFS / ICD, Warehousing, Cold Storage/Temperature Controlled Warehouse, Open Cargo Storage, Hazardous & Non-Hazardous Cargo Handling, Truck Parking etc. Non-Bonded/Non-Notified Domestic area will have yard for Container Storage, General Warehousing, Cold Storage, Open Cargo Storage, Truck Parking, Empty Container Storage, Repairs and Maintenance area for containers etc. The unit is also having rail connectivity with a 1.30 km length track, where 4 rakes can be handled in a day. This hub is the only facility to have direct connectivity with the Port for seamless movement of laden import and export boxes to and from the port to the MMLH. The administration building is of 2500 sq.mt. having modular seating arrangement with all modern amenities providing better experience for the customers, CHAs, etc. During the year the site has been made completely ready for full fledged operations with all approvals to operate in place. Billings have started but capacity utilisation is likely to pick up from the third quarter of FY 2019-20.

VPLPL had made an application for grant of CFS licence in May, 2017 and has not yet got the CFS licence till date. This has been regularly followed up at appropriate level by the company. However, the facility presently handles all non CFS activities pending the receipt of the CFS licence.

REPORT ON JOINT VENTURES

BALMER LAWRIE (UAE) LLC [BLUAE]

Balmer Lawrie (UAE) LLC (the company) had another very satisfactory year of operations and could achieve highest ever production and sales volumes in most of the major product segments during the year 2018.

Increased focus on customer service, initiatives taken to garner greater market share and product innovation enabled the company to strengthen customer relationships. The company achieved significant improvement in retention of skilled employees and employee morale, with positive impact on productivity and efficiencies. Simultaneously, cost reduction was achieved on many fronts through various technological upgradation initiatives. These endeavors enabled the company to stay ahead of competition, which none the less remains intense.

As reported earlier, BLUAE has firmed up long term plans and embarked on plant modernization and capacity enhancement initiatives across its different product lines. Such capacity enhancement projects are in full swing and are likely to be completed by the end of the current financial year.

Overall performance during the year was extremely satisfactory and inspite of stiff competition in the market leading to tremendous pressure on the margins for the products sold by the company, the company had been able to achieve excellent financial results during the year under review. However, in the light of the continuing geo-political / business environment prevailing in the region where the company operates, the company expects an extremely challenging task to maintain similar growth momentum during 2019 as had been achieved over the last few years.

BALMER LAWRIE – VAN LEER LTD. [BLVL]

Balmer Lawrie - Van Leer Ltd. (BLVL) has showed an impressive growth of 14% on both topline and operational profit. The topline has grown from ₹ 43800 Lakh to a commendable figure of ₹ 50000 Lakh. At the same time its operational profit before tax has grown from ₹ 3264 Lakh to ₹ 3739 Lakh. The Steel drum closure unit at Turbhe and unit at Bengaluru showed an impressive surge in sales and operational profit. The Plastic unit of the company recorded a surged topline and higher volume as compared to last Financial Year. The company is in the process of constructing a new Green field plastic plant at Dahej in Gujarat. The construction work is at full swing and the project is expected to be operational in the current Financial Year.

AVI-OIL INDIA PRIVATE LTD. [AVI-OIL]

For the year 2018-19, AVI-OIL has achieved sales volume of 1,357 KL of lubricants blended, 25 MT of greases reprocessed and packed and 355 MT of the ester base stocks manufactured.

During the FY 2018-19, the company achieved the net sales of ₹ 6,318 Lakh as compared to the previous year net sales of ₹ 6,537 Lakh.

The Profit before Tax (PBT) for the FY 2018-19 is ₹1,200 Lakh as compared to previous year PBT of ₹1,567 Lakh. The decrease is mainly due to lower sales, increase in employee cost and other expenses.

TRANSAFE SERVICES LTD. [TSL]

TSL is a Joint Venture of Balmer Lawrie & Co. Ltd. and Balmer Lawrie-Van Leer Ltd. with 50% shares each. TSL is into three business verticals (a) Manufacturing and supply of creative containers; (b) Leasing of cargo containers; and (c) Logistics solutions, dedicated only to domestics transportation of goods. Its turnover for the FY 2018-19, was ₹ 2558.67 Lakh as against ₹ 3429.59 Lakh earned during the previous year 2017-18. Due to huge bank loan interest burden, it suffered a loss of ₹ 2386.37 Lakh (previous year 2017-18 the loss was ₹ 2116.06 Lakh). The total revenue from manufacturing business was ₹ 801.53 Lakh as compared to ₹ 832.65 Lakh earned during the previous FY 2017-18. The decline in manufacturing revenue was marginal to the tune of 3.78% over the previous year. During the year, TSL was able to arrange credit from few suppliers, whereby it was possible to execute pending supplies to PSU entities. There was a fall in revenue in the container leasing business. In 2018-19, the revenue was ₹ 1121.81 Lakh as against revenue of ₹ 1432.87 Lakh, earned during the previous year 2017-18. The containers which are leased out to customers are very old. The customers are either off-leasing the containers or have negotiated its further usage at a lower rate. Further a large number of its own containers cannot be used in leasing business since considerable investments are required to carry out repairs and maintenance of these damaged containers. The Logistics business revenue had declined considerably from ₹ 1045.64 Lakh (earned in the previous year 2017-18) to ₹ 571.17 Lakh (earned during the FY 2018-19).

The Joint Venture has large unsustainable bank loans impacting its bottomline for years and is exploring the possibility of a one-time settlement (OTS) with the lending banks as well as a strategic partner to join the consortium with funding towards the bank loan settlement and working capital requirements. Continuous efforts are being made to find a solution for the ongoing financial strain faced by the company. Meanwhile during the FY 2018-19, two out of the five consortium banks have taken legal actions against TSL. Syndicate Bank had filed insolvency proceeding before the National Company Law Tribunal under the 'Insolvency & Bankruptcy Code 2016' and Axis Bank had filed recovery proceedings before the Debt Recovery Tribunal under the 'Recovery of Debts Due to Banks & Financial Institutions Act, 1993'.

PT. BALMER LAWRIE INDONESIA

PT. Balmer Lawrie Indonesia (PTBLI) is having its registered office at Jakarta, Indonesia – During the FY 50% of the paid–up equity share capital of PTBLI, which was earlier held by Balmer Lawrie (UK) Ltd. (BLUK) was transferred to Balmer Lawrie & Co. Ltd., in furtherance to the steps taken for closure of BLUK. Balance 50% of the paid up share capital of PTBLI is subscribed by PT. Imani Wicaksana of Indonesia. PTBLI is engaged in the manufacture and marketing of greases and other lubricants in Indonesia. The operations at the plant have now stabilized and the JV is actively trying to get a foothold in the challenging Indonesian lube market.

During the year under review, the Joint Venture achieved a turnover of IDR 82.77 billion and a profit of IDR 1.52 billion.

CESSATION/CHANGE IN JOINT VENTURES/ SUBSIDIARIES/ ASSOCIATE COMPANIES DURING THE YEAR

During the year under review, Balmer Lawrie has initiated steps for closing of operations of BLUK and is in the process of getting necessary statutory clearances from authorities in the United Kingdom. As part of this process, the shares of PTBLI which were held by BLUK has been transferred to Balmer Lawrie during the year under review. It is felt that the process of voluntary winding of the company would be completed during FY 2019-20.

Further, during the FY 2018-19, PT Balmer Lawrie Indonesia became a Joint Venture of your Company and the details of infusion in the share Capital of PT Balmer Lawrie Indonesia is mentioned in Note No. 5 of the Financial Statements of the Company.

MEMORANDUM OF UNDERSTANDING (MoU)

Every year your Company signs an MoU with the Government of India, Ministry of Petroleum & Natural Gas (MoP&NG) based on guidelines issued by the Department of Public Enterprises [DPE].The MoU targets include revenue from operations, operating profit, return on investment with focus on capacity utilization, R&D, innovation and technology upgradation, capital expenditure, inventory management, return on investment in JVs, and human resource management etc. Periodical review on achievement of MoU targets was carried out throughout the year. Your Company's performance score in respect of the MoU for the FY 2017-18 has been adjudged by the DPE in "Excellent" category.

MoU evaluation for the FY 2018-19 is yet to be completed.

HUMAN RESOURCE MANAGEMENT (HRM)

The organization believes that its success depends on the alignment & performance of its people. In order to create value for the organization and based on the long term plan and current realities, the focus of HRM Division in the FY 2018-19 continued to be in the following domains:-

- Enhancing employee productivity to reach the best in class levels and improve profitability by striving for competitive wage cost.
- Continue to build employee capability, develop leadership and manage talent & employee

performance across all levels of the workforce.

- Renewed focus on enhancing employee engagement and happiness.

[a] Talent Acquisition

In today's intensely dynamic markets, the Company has successfully inducted 48 (Forty Eight) Executives and Officers (Non-Unionized Supervisors) during the year to reinforce the Company's performance and bolster the Company's capabilities in all business areas.

[b] Learning and Development

The Company adjusts the learning management practices and solutions in line with the organizational growth or productivity. We continued to invest in enhancing the professional skills and competencies of our employees. With the objective of enhancing the functional and leadership competencies, extensive training programs for employees in line with the business requirement of the Company, both in the areas of general management and specialist skill development were planned and executed. In all, 1120 man-days were achieved including in-house and external programmes including workshops, conferences, seminars and training programmes for all categories of employees during the year.

[c] Managing Performance

With a view to improve upon performance orientation and bring about objectivity in assessment, the Company has already rolled out a Competency Linked Performance Appraisal System for its executives. With a view to ensure timely completion of Performance Management Appraisals, the process has already been e-enabled for executives upto grade E-8. Your Company has maintained 100% on-line submission of ACR/APAR in respect of all Executives (E0 and above) along with compliance of prescribed timelines w.r.t writing of ACR/APAR during FY 2018–19.

[d] Employee Engagement and Welfare

An effective work culture has been established in the organization which encourages participation and involvement of employees in activities beyond work. Towards furthering this, during the year, the 153rd Foundation Day was celebrated in all units and establishments across the country. The employees and their family members participated in large numbers and made the event a memorable occasion. Also, various programs like Annual Sports Day, Cultural Evening etc. were organized by the Recreation Club at major locations of the Company.

Employment of Special Categories

During the year, in the Executive & Officer cadre, 9 employees in the SC category, 17 employees in the OBC category, 2 employees in the ST category, 3 women employees were recruited. The actual number of employees belonging to special categories, group-wise, as on 31st March, 2019 is given below:-

Group	Regular Manpower as on 31.03.2019	SC	ST	OBC [*]	PH	Women	Minorities
A	469	45	5	75	3	51	24
B	212	34	2	49	3	24	14
C	72	3	0	18	1	10	2
D [including D1]	316	36	5	73	6	5	51
Total	**1069**	**118**	**12**	**215**	**13**	**90**	**91**

[*] *On and from 08th September, 1993 onwards*

Implementation of the Persons with Disabilities [Equal Opportunities, Protection of Right and Full Participation] Act, 1995 and the Rights of Persons with Disabilities Act, 2016

In compliance with the above Acts, the Company has implemented reservation rosters including 4% reservation for persons with benchmark disabilities. Further, to mitigate the shortfall, a special recruitment drive is slated during FY 2019-20.

Employee Relations

The Management believes in a process of open and transparent consultation with the collectives. Employees are represented in various Trusts formed by the Company to administer various employee benefit schemes. Plant level committees are in place to discuss and settle productivity and work place related matters. Consultative Forums have been established to resolve disputes / differences.

The employee relations continued to be generally cordial at all units / locations of the Company during the year.

Implementation of Official Language

To ensure implementation of Rajbhasha policy of the Government of India, your Company has taken several steps to promote usage of Hindi in official work. Various activities like 22 workshops were organized during the year in which 254 employees were trained on usage of Hindi in official work. Rajbhasha Pakhwada was celebrated at all locations of the Company during the month of September, 2018. Hindi Antakshari competition was organized on 20th December, 2018.

We have also trained 41 employees in Hindi Prabodh, Praveen and Pragya courses. BLOG Edition for the October 2018 was released completely in Hindi. Implementation of the Rajbhasha Policy is top driven in your Company and Hindi is used in all our activities of CSR, Company's Foundation Day, Yoga Day, Town Hall Meetings, World Environment Day, Safety Week, Vigilance Awareness Week, International Womens' Day and Quami Ekta Week. As a guide to use Hindi in Official work, a book titled "Rajbhasha Sahayika" was also released.

Your Company received 2 awards from Town Official Language Implementation Committee (TOLIC), Kolkata for the best implementation of Official Language in official work and active support extended to TOLIC in organizing activities for the propagation of Hindi for the FY 2018-19. The award was presented by the Hon'ble Governor of West Bengal during the half yearly meetings held on 24th August, 2018 and 28th January, 2019.

Women Empowerment

The Company provides a very conducive ambience for employment of women. The percentage of women employees is on the rise with new recruitments. The present strength of women employees is 8.42% despite the fact that a large chunk of our workforce constitutes of shop floor workers. The Company has created an atmosphere conducive for women employees to join and build a career in this organization.

Disclosures as per the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has reconstituted Internal Complaints Committee (ICC) in all four regions namely Eastern, Western, Northern and Southern Region of the country under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('the Act'').

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Act.

During the FY 2018-19, one complaint was received under the Act, which was later on withdrawn by the aggrieved woman and accordingly it was disposed.

There was no complaint pending as on 31st March, 2019.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Annual Report on CSR activities.

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

   CSR Policy

   Vision

   "We are committed to serve the community by empowering it to achieve its aspirations and improving its overall quality of life."

   Mission

   To undertake CSR activities in chosen areas through partnerships, particularly for the communities around us and weaker sections of the society by supporting need-based initiatives.

   Objectives

   - Improve the health and nutrition status of communities, particularly vulnerable groups such as women, children and elderly by improving health infrastructure and facilitating service provision.
   - Focus on quality of education and encourage children from marginalized sections and girls to complete school education and opt for higher education.
   - To focus on livelihoods and skill development in order to provide opportunities to women and youth and make them self-reliant.
   - Initiate holistic development programs for differently abled children and orphans with a view to provide them opportunities to lead a meaningful life.
   - To support the national efforts in rehabilitation and relief post unfortunate natural disasters.

Guiding Principles

We at Balmer Lawrie are committed to continuously improve our efforts towards our social responsibility, focus on marginalized sections and encourage our employees to contribute in CSR activities. Towards this commitment, the Company shall be guided by the following guiding principles:

- Affirmative action to provide opportunities to marginalized communities.
- Efforts towards gender inclusiveness.
- Encourage community participation and ownership in order to ensure sustainability of CSR activities.
- Encourage voluntary participation of employees.
- Enhancing visibility of our CSR so that others can benefit from our learnings.
- CSR activities would be based on partnerships.
- Wherever possible, we will align our activities with the business objectives.
- Capacity building for the weaker sections of the society.

Corporate Social Responsibility

CSR is a transformational practice by the business corporations in India, mandated by the Government. As an initiative towards the collective community well-being, CSR is a positive step towards upliftment of the society. In line with this, the Company has been driving various corporate social responsibility projects independently around its units and establishments across the country and has also been supporting various programs initiated by the Government of India like the Clean India Mission and Skill Development Institutes. CSR has become an integral part of the Company's functioning and today it has become indispensable that the Company demonstrates such responsibility. Although, earlier it was not a legal compulsion that had to be walked through by any Company, but following it was considered as a good practice for considering social and environmental issues.

Balmer Lawrie's CSR initiatives are driven by two Flagship Programs - Balmer Lawrie Initiative for Self-Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. While the first Program is directed at providing and improving the long-term economic sustenance of the underprivileged, the second Program aims at improving the living standards and quality of life of population in and around the Company's work-centers.

In pursuance of these Programs, the Company has undertaken several community development projects, partnering with various agencies. The focus areas for the Schemes under the Programs, amongst others, have been on education, healthcare, sanitation, integrated village development and environmental protection. CSR efforts are channelized on the above-mentioned thematic focus areas and target groups like children, women, youth, elderly and differently abled people.

Through the various CSR programs, the Company has constantly endeavored to integrate the interest of the business with that of the communities that form part of the areas it operates. With the advent of the various National flagship programs launched by the Government, we as an organization take pride in furthering the initiatives which comes under the purview of CSR by engaging specialized agencies, and in keeping with the DPE guidelines, the Companies Act, 2013 and Schedule VII of the Companies Act, 2013.

A total sum of ₹ 516.23 Lakh was spent during the FY 2018-19, towards CSR activities.

For Details of the policy visit our website: http://www.balmerlawrie.com/app/webroot/uploads/CSR_and_Sustainability_Policy_2016_-_28.09.20161.pdf

2. The Composition of the CSR Committee as on 31st March 2019 was as under:
   (a) Total No. of Directors in the Committee: Six
   (b) No. of Independent Directors in the Committee: Two
3. Average net profit of the company for last three Financial Years – ₹ 24060 Lakh
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) - ₹ 481 Lakh
5. Details of CSR spent during the financial year.
   (a) Total amount to be spent for the financial year; ₹ 515.94 Lakh
   (b) Amount unspent, if any: NIL
   (c) Manner in which the amount spent during the FY 2018-19 is detailed below.

(₹ in Lakh)

CSR EXPENDITURE INCURRED DURING FY 2018-19							
1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs 1) Local Area or other 2) Specify the state and district where projects or programs was under-taken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs sub-heads: (I) direct expenditure on projects or programs- (2) overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
1	Sponsoring of 02 classes of Indian Institute of Cerebral Palsy (IICP) for the children suffering from Cerebral Palsy	Education	1) Local Area 2) West Bengal - Kolkata	18.50	18.50	18.50	Indian Institute of Cerebral Palsy (IICP)
2	Sponsoring of 02 family homes at SOS Children's village of India	Education	1) Local Area 2) West Bengal - Kolkata & Andhra Pradesh - Vishakhapat-nam	19.20	19.20	19.20	SOS Children's Village of India
3	Ekal Vidya-layas, One Teacher Schools (OTS) for providing education to the doorsteps of the tribal populace.	Education	1) Others 2) West Bengal - South 24 Parganas	10.00	10.00	10.00	Friends of Tribal Society
4	Financial support for construction of rooms for mentally handicapped children & old age home	Education	West Bengal - Kolkata	10.00	10.00	10.00	Mentaid/ Kolkata Kinjal

(₹ in Lakh)

CSR EXPENDITURE INCURRED DURING FY 2018-19							
1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local Area or other 2) Specify the state and district where projects or programs was under-taken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (I) direct expenditure on projects or programs-(2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
5	Mainte-nance Cost for school toilets con-structed under "Swachh Vidyalayas" during the year (2015-2016)	Swachh Bharat Abhiyan	1) Local Area and others 2) West Bengal - Kolkata, Andhra Pradesh - Chitoor, Haryana - Asaoti	17.00	15.41	15.41	Pragati Sangha of Dara / Balmer Lawrie
6	Swachh Bharat Abhiyan	Swachh Bharat Abhiyan	1) Local Area and others 2) West Bengal - Kolkata, Tamil Nadu - Chennai & Villupuram, Dadra Nagar Haveli - Silvassa, Delhi and Mumbai	123.00	126.09	126.09	Pragati Sangha of Dara/ Chennai Municipal Corporation/ Rotary / Lions Club of Villupuram/ Nirmaan Foundation / Balmer Lawrie/ Swadeep Shikshan Vikas Sanstha
7	Construction of Community Toilet	Swachh Bharat Abhiyan	Maharashtra - Panvel	20.00	22.00	22.00	Rotary Club of Panvel

(₹ in Lakh)

CSR EXPENDITURE INCURRED DURING FY 2018-19							
1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs 1) Local Area or other 2) Specify the state and district where projects or programs was under-taken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs sub-heads: (I) direct expenditure on projects or programs- (2) overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
8	Skill Development Institutes	Skill Development	1) Others 2) Odisha - Bhubanesh-war, Andhra Pradesh -Vishakhapat-nam, Uttar Pradesh - Rae Ba-reilly, Assam - Guwahati, Kerala - Kochi, Gujarat - Ahmedabad	225.00	225.00	225.00	SDI - Bhubanesh-war, Vishakha-patnam, Rae Bareilly, Guwahati, Kochi and Ahmedabad
9	Mobile Health Van for old age	Health	1) Local Area 2) Tamil Nadu - Manali	50.24	50.24	50.24	Helpage India
10	Awareness Camp For Cancer Patients	Health	West Bengal - Kolkata	2.00	2.29	2.29	Ramakrishna Mission Sardapith
11	Miscellaneous (Impact Study, Training Etc.)		West Bengal - Kolkata	21.00	17.50	17.50	Balmer Law-rie
	Total CSR Expenditure			**515.94**	**516.23**	**516.23**	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. – Not Applicable

7. **Responsibility statement of the CSR Committee**

   "It is hereby certified that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company."

Shyam Sundar Khuntia
Director (Finance) & CFO

Atreyee Borooah Thekedath
Chairperson of CSR Committee

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2019 is attached as **'Annexure 2'**.

OCCUPATIONAL HEALTH & SAFETY

Employee Health & Safety

Your Company accords high priority to Employee Health & Safety. In pursuance of this your Company has established an integrated Health & Safety Management System across the organization. Your Company has published an HSE Manual which is being used as a reference book in plants and other establishments of your Company. Your Company carries out HSE audits for all its manufacturing units and Container Freight stations as per the HSE audit protocol of the manual. Your Company has also introduced an HSE MIS system for all manufacturing & CFS units. Every plant/CFS unit submits a monthly HSE MIS to corporate office enabling it to take corrective steps. Major plants / units of your Company are OHSAS 18001 certified. All Occupational Health & Safety Standards are adhered to as per the Factories Act, 1948. Major initiatives /activities undertaken in this domain in 2018-19 are as follows:

- HSE Audits were carried out in all manufacturing units/establishment of your Company during the year and recommendations thereof implemented.
- Your Company achieved Zero LTI (Lost time Injury) in the Financial Year 2018-19.
- HSE awareness training was conducted for permanent employees and contract workers.
- The 48th National Safety Week was observed from 4th to 10th March 2019 in all units/establishments across locations. The week commenced on 4th March, observed as National Safety Day, with the administering of the safety pledge and reading out of C&MD's message. In line with the theme, various programs were organized over the week. The programs included extempore, quiz, skit, spot the hazard contest, mock drills, safety slogan & essay writing and poster competitions.

Environmental Protection and Sustainability

Being fully committed towards the protection and conservation of the environment, your Company has taken various initiatives to minimize the pollution load of operations. Treatment & disposal of effluents conform to the statutory requirements. Air emissions norms also strictly adhere to the norms laid down in the Environment Protection Act, 1986. Disposal of hazardous waste is done strictly as per the Hazardous Waste and Other Waste Rules, 2016. All Plants and major establishments of the Company are certified to environment standards ISO 14001. The Company has in place a comprehensive Long Term Integrated Sustainability Plan which lays down the sustainability policy, program framework, governance structure, communication etc.

Some of the other initiatives/activities taken up by your Company in this domain in 2018-19 include:

- Saplings were planted at all units on the occasion of World Environment Day. Online quiz and Essay competition on Environment was carried out for all employees to create awareness.
- The Application Research Laboratory of your Company continue to make significant progress in developing a number of bio-degradable & environment friendly lubricants.
- Rain water harvesting was done to enable good water conservation at Leather Chemical unit in Manali, Chennai.
- BL, Manali complex was declared Plastic Free Zone and abandoned use of any kind of plastic bags, cup etc. inside BL premises.
- CFS Kolkata started using paper cups and plates instead of plastic ones to reduce plastic usage inside the establishment.
- Asbestos roof sheets were replaced with pre-coated galvanized iron roof sheets of warehouse at CFS, Navi Mumbai and G&L, Silvassa thereby improving the work environment and reducing health risk hazard.
- Your Company has till date installed solar plants with a total capacity of 493 KWp in four different sites at Asaoti, Navi Mumbai, Chennai and Rai. Out of this, 33 KWp solar power plant has been commissioned in the current Financial Year at TCW Rai. This helps us to offset 750 tons of carbon dioxide per year from our manufacturing / cold chain operations.
- A steam condensate recycling system was installed in the Leather Chemicals (LC) plant at Manali (Chennai) resulting in reduction of 20 KLD water usage.

- IP Chittoor, IP Asaoti, IP Vadodara, CFS Navi Mumbai reuse / recycle the process water thereby reducing substantial water consumption in various processes.
- Hundreds of trees are planted at different plants / establishments of Balmer Lawrie across India to enhance the green cover in order to reduce carbon footprint.
- IP Silvassa has installed a solvent extractor system which is able to extract Fresh solvent from Flushed out solvent which is re-used in painting process. It reduces hazardous waste generation by reusing of fresh solvent (Extracted from Flushed out solvent).
- LC Manali has installed an automated Nitrogen Generation Plant for safe operation of Chemical process to avoid usage of nitrogen cylinder.
- LC Manali has installed an automated Emergency Scrubber System with control systems while handling Sulphur Di-Oxide and Chlorine to reduce unwanted leakage of hazardous gases.
- LC Manali has saved a substantial portion of heat energy by the incorporation of innovative process implementation through the new input product - Liquid wax which led to the huge reduction in the heat energy (which has been originally spent on melting the solid wax in the wax melter).
- LC Manali has also installed Harmonic Filter system which has resulted in the increase in the energy efficiency (through reduction in electricity consumption).
- G&L Silvassa and IP Navi Mumbai are using Floor Cleaning Machine to clean the floor thus reducing use of contaminated cotton waste which is considered as hazardous waste.
- IP Asaoti, IP Navi Mumbai and IP Silvassa together replaced mercury lamps of 46.96 KW power consumption with 17.50 KW LED lamps.
- CFSs have made GPS enabled vehicles mandatory in order to track the vehicles continuously. This helps in defining the shortest route which in turn helps in fuel saving.
- HSD fired oven has been converted to LPG fired oven at IP Kolkata thus reducing energy requirement of the plant.
- Our Industrial Packaging plants at Asaoti, Silvassa and Navi Mumbai are now qualified TfS [Together for Sustainability] units.
- Balmer Lawrie Manali (Chennai) Manufacturing unit was awarded a 4 star rating for commitment to EHS Practices in the CII-SR EHS Excellence Awards for the year 2018 given away by Confederation of Indian Industry (CII).

COMMUNICATIONS & BRANDING INITIATIVES

The various internal communication and branding initiatives driven during the year 2018-19 to create employee bonding and enhance the process of information sharing in Balmer Lawrie (BL), are as follows:

- Regular publication of the Daily Media Update (a news report for the Ministry and Top Management team, covering news on BL, news from the Oil & Gas sector and initiatives of the government.
- Regular publication of the Weekly Media Update (a news report for employees covering news on BL, news related to GOI and PSEs, and news from the verticals that we do business in); BL Online Monthly Bulletin (monthly newsletter), BL Organizational Gazette (the quarterly house magazine). These publications are available on the Company's intranet and website.
- BL History Book written by two ex-C&MDs, covering last 25 years history published and distributed to key stakeholders.
- A Safety Induction film was developed.

The external communication initiatives, especially from a branding perspective include:

- Special BL Calendar (both wall and table-top) designed in-house to showcase the diverse businesses of Balmer Lawrie.
- PR and Communication for newly modernized ARL launch, AGM etc.
- Media Coverage: Corporate Reports in business magazines/papers and coverage of CSR initiatives etc.
- Branding of Swachh Bharat Abhiyan and other similar initiatives.
- Branding initiative for various products of the Company at Kolkata Airport.
- SBU specific Microsites: Development of all the Microsites in Hindi was completed.
- Branding in Exhibitions and Corporate events

highlighting BL's journey of over 150 years, its rare distinction of earning profits since inception and its strength in the diverse businesses.

- Regular updates related to Company events, initiatives of Hon'ble PM and Ministry of Petroleum and Natural Gas are posted on the BL Facebook and Twitter pages.

Further, comprehensive branding plans for the year 2019-20 are in the process of implementation in SBUs: Greases & Lubricants and Travel & Vacations by their respective marketing teams.

INFORMATION TECHNOLOGY

Your Company is committed to adapt competitive latest Information Technology systems for enhancing efficiency, simplify process, bring in direct customer connection with overall value addition to the organisation. The SAP system has been the back bone of the information technology for the manufacturing SBUs, corporate functions like HR, Finance & Accounts with appropriate satellite IT systems meeting the specific requirements of service SBUs. Your Company has been constantly upgrading its IT systems to take care the fast changing environment. Your Company has rolled out major IT initiatives for employee self-service, pay role and performance management from the legacy system to SAP system in an effort for consolidating its IT operation in a single platform. Your Company has also implemented Business Intelligence Dashboard for the senior management to provide the day to day visibility of operation/function/production for all the SBU's and also overall management information.

To strengthen the relationship between the IT Department and Business as service provider and customer, a regular proactive engagement has been further strengthened with continuation of the IT Sampark Program initiated last year. Sustainability of service, security of the system and data are the prime objective of the IT system. Your Company has planned the upgraded disaster recovery system to meet extreme situation and provide uninterrupted IT services for business continuity. Your Company carried out Security Audit by a CERT-In certified partner for all the web enabled applications with all proposed recommendation been implemented.

Your Company has taken a decision in August 2018 w.r.t. B2C portal to launch a revamped new brand for its online ticketing portal. The new brand, is FlyLikeKing.com and the revamped portal is being launched as www.flylikeking.com in conjunction to www.balmerlawrietravel.com. Your Company is targeting to have substantial increase in the level of operation of the B2C portal in the current Financial Year.

PROGRESS ON PRINCIPLES UNDER 'GLOBAL COMPACT'

Your Company is a founder member of the Global Compact, and it remains committed to further the principles enumerated under the Global Compact programme. The details of various initiatives taken in this regard can be found in the Communication of Progress (CoP) uploaded on the website of the Company (www.balmerlawrie.com).

The Communication of Progress report for the year 2018–19 is a summary of your organisation's efforts and achievements in furthering its sustainability objectives which are seamlessly integrated with the overall business goals. Your Company focused on triple bottom line and took forward various activities as part of the Start-up Fund, CSR and HSE initiatives. Through Balmer Lawrie Start-up fund, your Company supported Kanpur Flower cycling Pvt. Ltd., a company that converts discarded flowers into innovative products like incense, natural soap and other bio-degradable products, with ₹ 1.2 crore and RCHobbytech Solutions Pvt. Ltd., a company providing unmanned surveillance solutions, with ₹ 1.5 crore. As a member company of the Ministry of Petroleum and Natural Gas (MOPNG), Govt. of India, Balmer Lawrie contributed ₹ 225 Lakh for the Skill Development Institutes (SDIs) at Ahmedabad, Rae Bareilly, Guwahati, Bhubaneswar, Kochi and Visakhapatnam. As part of the Swachh Bharat Abhiyan, besides the construction of 330 toilets in the states of West Bengal, Assam, Andhra Pradesh, Chhattisgarh, Haryana, Rajasthan and Maharashtra, Balmer Lawrie has initiated a capacity building project on health and hygiene at Silvassa and has sponsored the beautification of three ghats along the river Hooghly in Kolkata. Balmer Lawrie achieved Zero LTI [Lost Time Injury] for the last two consecutive financial years that is from 1st April 2017 till 31st March 2019 and Manali, Chennai (manufacturing unit) was awarded a 4-star rating for commitment to EHS Practices in the CII-SR EHS Excellence Awards for the year 2018 given away by Confederation of Indian Industry.

DISCLOSURE ON IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

The Right to Information (RTI) Act, 2005 was enacted by Government of India with effect from 12th

October, 2005 to promote openness,transparency and accountability in functioning of Government Department, PSUs etc.

Balmer Lawrie has designated Senior Manager (Legal) as Central Public Information Officer and Company Secretary as First Appellate Authority under the RTI Act, 2005. Detailed information as per the requirement of RTI Act, 2005 has been hosted in your Company's Web Portal http://www.balmerlawrie.com/static/rti and the same is updated from time to time.

Information sought under RTI Act, 2005 is being provided within the prescribed time-frame detail of which for 2018-19 is shown in the table below:-

Progress in 2018-19						
	Opening Balance as on 01.04.2018	**Received during the Year (including cases transferred to other Public Authority)**	**No. of cases transferred to other Public Authorities**	**Decisions where request/ appeals rejected**	**Decisions where requests/ appeals accepted**	**Closing balance as on 31.03.2019**
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Requests	24	90	0	0	99	15
First Appeals	1	13	0	0	13	1

(A) CONSERVATION OF ENERGY –

(i) The steps taken or impact on conservation of energy:

Over the years Balmer Lawrie has taken various measures to not only reduce the consumption of energy through use of energy efficient equipment but has also focused on renewables as a source of alternative energy thereby reducing the load of carbon emission.

SBU: G&L has adopted installation of variable frequency drives, automatic controls / sensors for cooling tower fans and high mast lights, soft starters, automatic power factor control panel, T-5 and LED lights replacing conventional lightings.

SBU: IP has achieved significant power savings by energy conservation initiatives such as installation of variable frequency drives, installation of energy saver panel, installation of automatic power factor control system, synchronization of conveyors for reduction of idle running time in various plants. Mercury lamps of 46.96 KW has been replaced with 17.50 KW LED lamps and bulbs and tubes have been replaced with LED lights.

SBU: LC has taken various energy efficiency measures based on Energy Audit, which is conducted on a periodical basis to ascertain the energy efficiency of its various equipment and to reduce adverse use of energy and or its wastages. While procuring new equipment, priority was accorded towards procuring star rated / energy efficient motors, lighting systems and inverter ACs. Equipment running hours are regularly monitored and any adverse use or wastage of energy is being controlled. The LC plant is installed with sufficient Variable Frequency Drives for high capacity motors. Steam condensate recovery has been implemented amounting to substantial saving of water. Capacity of captive power generation has been optimized leading to considerable savings in petroleum fuels.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

Leather Chemicals unit at Manali has installed a Solar Power Plant of 200 kWp capacity for in-house energy generation. The Solar plant is in operation and about 500-800 units is getting generated per day.

Apart from adoption of energy efficient lightings and equipment, Industrial Packaging division is continuously taking steps towards use of alternate source of energy. The already existing 260 kWp Solar Power Plant at IP Asaoti and IP Navi Mumbai has generated 2,49,455 units in the current financial year, considerably reducing the use of conventional energy.

(iii) The capital investment on energy conservation equipments :

The manufacturing SBUs spend significant amount in procuring energy efficient equipment such as star rated Inverter Air Conditioners, energy efficient motors, bay lights, LED lights, sensors & automatic controls for coolers and high mast, automatic power factor control panel and other equipment aimed at reducing the consumption or wastage of energy.

(B) TECHNOLOGY ABSORPTION –

(i) The efforts made towards technology absorption:

In order to remain relevant in today's competitive market, it is important to adopt new technologies and focus on innovation. Balmer Lawrie & Co. Ltd. over the years have implemented technologies and customized software to minimize manual workings, thereby increasing transparency and efficiency in processes, helping businesses to monitor and review its processes and performance and take quick and informed decisions. Implementation of SAP is helping the businesses in not only having better control in its operations but also in taking right decisions through meaningful insight of data pertaining to sales, operations, planning, SCM etc. Implementation of online audits, use of SAP dashboard for performance monitoring and Employee Self Service tools are leading to increased efficiency, significantly cutting down the time spent in these activities. The Research & Development centres of the various manufacturing SBUs are constantly evaluating the changing trends in technology and needs of customers, and are developing products which can meet the growth aspirations of the Company.

SBU: G&L's R&D efforts are directed towards development of high performance greases for post tensioning steel rods for Construction Industry, fire resistant Sulphonate complex grease for steel, clean hydraulic oil for injection moulding machines and fire resistant poly urea grease for steel industry.

The Product Development Center of SBU: LC works closely with reputed technical institutes to formulate products which not only meet the market requirements but also addresses the sustainable leather processing needs of the industry. As a focus on developing its own 'Finishing Range', the Product Development Center of the SBU developed a protein binders based on casein which improves the binding of pigmented dyestuff on leather and enhances the natural look of the leather. A replacement syntan in gel form and based on phenol formaldehyde resin was developed for use as a pre-tanning agent for dispersion and solubilization of vegetable tannins.

SBU:IP through its continuous endevour and focus on value engineering and sustainability has taken various initiatives which has not only reduced its cost but has helped in recycling and re-use of processing wastes thereby reducing the load on the environment. The SBU implemented a Zero Liquid Discharge system at its IP Vadodara unit, helping it to treat and reuse the spent water. The solvent extraction unit at Silvassa Plant is helping the SBU in recovering solvent from the paint wastes for reuse. Conversion of HSD fired oven to LPG fired oven at Kolkata Plant, improvement in paint technology at Navi Mumbai and Silvassa Plants, automatic control and management of finished goods yard conveyor at Navi Mumbai Plant, development of import substitute for Stamping Oil at Navi Mumbai plant are some of the other steps taken by the business to absorb and make best use of technology.

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

Your Company through its strong R&D infrastructure, latest manufacturing technology and value engineering initiatives is continuously exploring and exploiting both in-house and outside knowledge and expertise in increasing throughput, minimizing conversion cost and develop new and sustainable product offerings to improve its position in the market place, thereby enhancing both top and bottomline.

SBU: G&L's R&D efforts in lubricants have helped the Company to expand its product basket in high performance speciality lubricants for automotive and industrial applications. Continuous engagement with reputed OEMs have helped in developing tailor made products, meeting the specific requirements of the OEMs.

Products developed by SBU:LC such as liquid replacement syntan, high performance fatliquors based on sulphitation, sulfosuccination and phosphation technologies from renewable resources have received positive response from the market and are expected to reasonably replace the imported products currently in use in the market.

SBU: IP was able to accrue benefits such as reduction in water consumption, recovery of solvent from paint wastes, improvement in paint yield, improvement in production efficiency and development of import substitutes through its various value engineering initiatives.

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

a. The details of technology imported: NA

b. The year of import: NA

c. Whether the technology been fully absorbed :NA

d. If not fully absorbed,areas where absorption has not taken place,and the reasons there of: NA

(iv) The expenditure incurred on Research and Development

		2018-19 (Rs./Lakh)	2017-18 (Rs./Lakh)
a)	Capital -	322.38	106.79
b)	Revenue -	780.93	628.87
c)	**Total -**	**1103.31**	**735.66**

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO –

	2018-19 (Rs./Lakh)	2017-18 (Rs./Lakh)
i) Total Foreign Exchange Earnings	7,512.65	10,082.88
ii) Total Foreign Exchange Outgo	13,895.13	17,228.57

DETAILS OF PROCUREMENT FROM MICRO, SMALL AND MEDIUM ENTERPRISES AS PER PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERISES (MSEs) ORDER 2012

(₹ in Lakh)

Details	2018-19	2017-18
Value of material available for procurement from MSEs	9547	11045
Actual procurement	6037	5843

In 2018-19, the Company organized four Vendor Development Programs. In total 205 MSE vendors got benefitted through purchase from MSEs. The Company, on a regular basis, is conducting various meetings/ workshops to increase the participation of MSEs including SC/ST MSEs in the procurement system. Assistance is also sought from MSME Development Institutes to enhance the participation of MSEs.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT–9 is attached here to as **"Annexure 3"**.

Further, in terms of Section 92 of the Companies Act, 2013 read with Rules made thereunder, the Company shall place a copy of the Annual Return (MGT-7) on the website of the Company www.balmerlawrie.com after filing the same with Ministry of Corporate Affairs.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013 ("the Act"), the Board of Directors to the best of their knowledge and ability, state that:

(a) In the preparation of the annual accounts for the Financial Year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year as on 31st March, 2019 and of the profit and loss of your Company for that period.

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safe guarding the assets of your Company and for preventing and detecting fraud and other irregularities.

(d) The Directors had prepared the annual accounts for the Financial Year ended 31st March, 2019 on a going concern basis.

(e) The Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were generally operating effectively.

(f) 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.

DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received declaration from the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Detailed particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 are given in Note No. 5, 6, 14 and 40.19 of the Financial Statements respectively.

RELATED PARTY TRANSACTIONS (RPT)

Majority of the Related Party Transactions of the Company were made with its Holding Company, Subsidiary companies, Associate companies and Joint Venture companies. It may be pertinent to mention that Related Party Transactions made with Holding Company and Wholly Owned Subsidiary company (whose accounts are consolidated with such wholly owned subsidiary) and transactions between two Government companies are exempted under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015. Further, omnibus approval was taken for entering in to Related Party Transactions for value upto Rs. One Crore whereas in other cases approval of Audit Committee was taken. Further, there were no materially significant RPT during the year under review, made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which have a potential conflict with the interest of the Company at large.

The Company has revised the RPT Policy of the Company in terms of the amended SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The policy as approved may be accessed on the Company's website at the link:

http://www.balmerlawrie.com/app/webroot/uploads/Related_Party_Transactions_Policy.pdf

The said policy lays down a procedure to ensure that transactions by and between a Related Party and the Company are properly identified and reviewed to ensure that the Related Party Transactions are properly approved and disclosed in accordance with the applicable law. The Policy also sets out materiality thresholds for Related Party Transactions.

The details of the Related Party Transactions entered into by your Company during the FY 2018-19 has been enumerated in Note no. 40.19 of Financial Statements.

JUSTIFICATION FOR ENTERING INTO RELATED PARTY TRANSACTIONS

The Related Party Transactions are entered into based on considerations of various factors like business exigencies, synergy in operations, the policy of the Company and Capital Resources of the Subsidiaries and Associate Companies.

The particular of contracts and arrangements as required under Section 134(3)(h) of the Companies Act, 2013 in the prescribed Form AOC-2 is as under:

FORM NO AOC 2					
(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014					
Form for disclosure of particulars of contracts/ arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto					
1	**Details of contracts or arrangements or transactions not at arm's length basis**				
	NIL				
2	**Details of material contracts or arrangements or transactions at arm's length basis**				
	Nature of contracts or arrangements	**Name of Related Party**	**Nature of relationship**	**Duration of Contract**	**Value (₹ in Lakh)**
	NIL as per the Company's policy on material Related Party Transaction				

ENTERPRISE RISK MANAGEMENT POLICY

The Company has laid down policies and procedures to inform the Risk Management Committee and Audit Committee about the risk assessment and minimization process. The Chief Risk Officer regularly reviews the process to ensure control of risk through defined framework. The Risk assessment framework encompasses inter alia methodology for assessing risks on an ongoing basis, risk prioritization, risk mitigation, monitoring plan and comprehensive reporting system to the different level of management.

The said policy is posted on the Company's website at:

http://www.balmerlawrie.com/app/webroot/uploads/ERM_Policy01_08_17.pdf

DEPOSITS

Your Company has not accepted any deposit from the public during the FY 2018-19 and therefore no disclosure is required in relation to details relating to deposits covered under Chapter V of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has well established and effective internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The Company has a well-defined delegation of financial powers to various levels of the organisation as per the Delegation of Authority (DOA) for the orderly and effective conduct of its business. The internal audit of the Company is conducted by an independent external auditor.

As required under the Companies Act, 2013, your Company has an Internal Control System commensurate with the size, scale and complexity of the organisation. Your Company confirms having the following in place:

– An Internal Audit System whose reports are reviewed by the Audit Committee
– Procedure and system for orderly and efficient conduct of the Company's Business, including adherence to the Company's policies
– Procedures to safeguard the Company's assets
– Procedures to prevent and detect frauds and errors
– Procedures and systems including ERP for accuracy and completeness of the accounting records

Your Company has in place adequate Internal Financial Control system with reference to financial statements and the effectiveness of the internal control systems are reviewed by an external accounting and audit firm.

During the FY 2018-19, Internal Financial Controls (IFC) was reviewed by an external consultant Haribhakti and Co., LLP, which reported as follows:

a. The internal control over financial reporting in the Company is generally adequate, with areas of observations/improvements as listed in the report.
b. These observations have been discussed with the process owners and reported to management.

VIGILANCE

Shri Vinod Kumar, IFS, is the Chief Vigilance Officer (CVO) with effect from 10^{th} October, 2018.

Your Company is always in the opinion to promote integrity and eradicate corruption. Principles of good governance is also one of the major aspects which helps your Company to lead the business scenario in a transparent manner. The Vigilance department ensures that the management obtains maximum out of its various transactions with the stakeholders. The Company welcomes the stakeholders to combat any corruption which may come across. Therefore, the Vigilance department never accepts in any wrong doings and also do not indulge in any malpractices.

It is needless to mention that the Vigilance department has taken lot of initiatives in the improvements in the systems and procedures which have been implemented. Central Vigilance Commission from time to time issues various directives in the matter of leveraging technology in respect of e-procurement, e-disposals and on-line posting of job applications, which have been implemented keeping in view to bring in more transparency. Your Company has also taken initiatives and is still working for introducing on-line bill payment system, which will help our vendors to keep a track on the payment related position. The recent introduction of SAP system across PAN India helped the Company to bring in more transparency with a positive target.

As per the directives of Central Vigilance Commission, this year also Vigilance Awareness Week was observed by the Company with the administration of pledge in locations pan India. Seminars were organized at different locations, where eminent Speakers were present and gave their valuable in sights by sharing their practical experiences with meaningful suggestions for the betterment of the organization. Quiz, slogan, essay and debate competitions were also held in various schools and colleges which was covered by different TV channels. Posters and banners were displayed in various places for publicity. Last but not the least, Vendors Meet was held and integrity pledges were also taken by the Vendors. Integrity pledge was also taken by the students of schools/colleges in their premises and by the employees families through on-line system.

Your Company's focus is to have commitment to honesty, integrity, transparency and mutual trust to create the organization as an ethical company. CVO advises the management for taking various measures, which are required to be adopted to improve the functioning of the Company on the basis of gaps noticed in the Company's systems and procedures during vigilance inspections, investigations, scrutiny etc. The Company's CMD, Shri Prabal Basu, plays an important role by extending his fullest cooperation to Vigilance Department for its smooth functioning.

DETAILS OF VIGILANCE CASES

In terms of office memorandum dated 24th January, 2018 having reference no. F.No. 28(1)/ 2016-Leg.I issued by under secretary to Government of India, details of vigilance cases disposed off during the year ended 31st March, 2019 and vigilance cases pending as on 31st March, 2019 is mentioned herein below.

a. Vigilance Cases disposed-off during the year ended 31st March, 2019

Sl. No.	Nature of Case	Case Date	Date of Disposal	Remarks
1	Violation and Vitiation of NIT Terms & PQ against Tender	05.07.2017	21.12.2018	As per the advice of CVO, file has been closed giving Minor Penalty to four (4) employees
2	Complaint related to Business of Global Distribution System	14.09.2017	05.03.2019	No Vigilance angle was involved and Ministry has also advised to close the file
3	Superseding the condition of a Tender	28.12.2017	05.09.2018	No Vigilance angle was involved.
4	Custom Clearance	15.01.2018	17.07.2018	No Vigilance angle was found. CVO advised to close the file
5	One employee of BL is earning huge amount by delivering lectures and tutorials and also writing various books	26.06.2018	17.07.2018	Complaint was closed as it was pseudonymous in nature
6	Fraudulent activity in the engagement of apprentice in the field of Custom Clearance in Balmer Lawrie in Chennai Region	15.11.2018	27.12.2018	No Vigilance angle was found. CVO advised to close the file

b. Vigilance Cases pending as on 31st March, 2019

Sl. No.	Nature of Case	Case Date	Remarks
1	Financial Irregularity at Travel Kolkata	17.03.2016	Case is pending with CBI
2	Examination of Audit Para	04.04.2018	Letter has been sent to Ministry
3	Promotion which are taking place in BL at senior level being not fair	21.01.2019	Investigation is going on

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company had established a Vigil Mechanism/ Whistle Blower Policy in January 2010. The said policy concerns the Employees and covers the following categories:

- Managerial
- Executive
- Supervisory
- Unionized Employees
- Any other Employees (such as Out sourced, Contractual, Temporaries, Trainees,Retainers etc. as long as they are engaged in any job / activity connected with the Company's operation).

So as to enable them to report management instances of unethical behaviour, actual or suspected fraud or violation of your Company's code of conduct. The details of the Vigil Mechanism/ Whistle Blower Policy are given in the Corporate Governance Report 2018-19 and can be downloaded from the following hyperlink of the Company's website: http://www.balmerlawrie.com/app/webroot/uploads/Whistle_Blower_Policy.pdf

REPORT ON CORPORATE GOVERNANCE

Your Company has been consistently complying with the various Regulations and Guidelines of the Securities & Exchange Board of India (SEBI) as well as of Department of Public Enterprises (DPE) to the extent within its control.

Pursuant to the said SEBI Regulations and DPE Guidelines, a separate section titled 'Corporate Governance Report' is being furnished and marked as **"Annexure 4"**.

The provisions on Corporate Governance under DPE Guidelines which do not exist in the SEBI Guidelines and also do not contradict any of the provisions of the SEBI Guidelines are also complied with.

Further, your Company's Statutory Auditors have examined compliance of conditions of Corporate Governance and issued a certificate,which is annexed to this Report and marked as **"Annexure 5"**.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Your Company being a Government Company, vide Notification No. GSR 463(E) dated 5th June, 2015 as amended by Notification No. GSR 582(E) dated 13th June, 2017 and notification No. GSR 802(E) dated 23rd February, 2018, has been exempted from applicability of Section 134(3)(e) and 197 of the Companies Act, 2013.

BOARD EVALUATION AND CRITERIA FOR EVALUATION

Your Company being a Government Company, vide Notification No. GSR 463(E) dated 5th June, 2015 as amended by Notification No.GSR 582(E) dated 13th June, 2017 and Notification No.GSR 802(E) dated 23rd February 2018, has been exempted from applicability of section 134(3)(p) and 178(2), (3) and (4) of the Companies Act, 2013.

The Annual Performance Appraisal of Top Management Incumbents of Public Enterprises is done through the Administrative Ministry as per the DPE Guidelines in this regard. Your Company being a Central Public Sector Enterprise under the administrative jurisdiction of Ministry of Petroleum & Natural Gas also has to follow the similar procedure.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as on 31st March, 2019 consisted of Eleven Directors out of which five were Functional/ Executive/ Whole-time Directors, two were Non-executive Government Nominee Directors and four were Independent Directors.

Based on the direction received from MoPNG vide letter bearing reference number C-31033/2/2018-CA/PNG (25758) dated 12th July, 2019, Shri Arun Kumar (DIN 03570776), Shri Anil Kumar Upadhyay (DIN 07724769) and Shri Bhagawan Das Shivahare (DIN 0851430) have been appointed as Additional Directors in the category and designation of Independent Director by the Board on 18th July, 2019. Taking into account the above appointments, as on date of this report, the Board is consisted of Fourteen (14) Directors out of which:

- Five (5) are Functional/ Executive/ Whole-time Directors;
- Two (2) are Non-executive Government Nominee Directors; and
- Seven (7) are Independent Directors.

It may be noted that pursuant to Article 7A of the Articles of Association of the Company, so long as the Company remains a Government company, the Directors–including Independent Directors–are to be nominated by the Government of India.

NUMBER OF MEETINGS OF THE BOARD

The Board met eight (8) times during the FY 2018-19, the details of same are given in the Corporate Governance Report attached as **"Annexure 4"**. The intervening gap between any two Board meetings was within the period prescribed under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

APPOINTMENTS

In the ensuing AGM, it is proposed to consider reappointment of Shri Prabal Basu (DIN 06414341) and Shri Kalyan Swaminathan (DIN 06912345), who retire by rotation and being eligible offer themselves for reappointment.

During the year, following Directors were appointed by the Shareholders at the 101st AGM :

1. Shri Vijay Sharma, Government Nominee Director
2. Shri Sunil Sachdeva, Independent Director
3. Shri Ratna Sekhar Adika, Director (Human Resource & Corporate Affairs)
4. Shri Vikash Preetam, Independent Director
5. Smt. Perin Devi Rao, Government Nominee Director

Further, Shri Arun Tandon, Independent Director was appointed by the Board of Director as an Additional Director on 12th September, 2018, post AGM. Thereafter, on 18th July, 2019 the Board appointed Shri Arun Kumar, Shri Anil Kumar Upadhyay and Shri Bhagawan Das Shivahare has been appointed as an Additional Director in the category and designation of Independent Director.

It is also proposed to appoint Shri Arun Tandon (DIN 08210607) as an Independent Director, Shri Arun Kumar (DIN 03570776) as an Independent Director, Shri Anil Kumar Upadhyay (DIN: 07724769) as an Independent Director and Shri Bhagawan Das Shivahare (DIN: 08514350) as Independent Director of the Company at the ensuing AGM, in furtherance of the nominations received from the Administrative Ministry and their candidatures are proposed by the shareholder of the Company. The details of the directors seeking appointment and reappointment are given in the explanatory statement attached to the notice of the 102nd AGM.

CESSATIONS – ON ACCOUNT OF WITHDRAWAL OF NOMINATION OR RETIREMENT

During the FY 2018-19, no Director ceased to be the Director of the Company on account of withdrawal of nomination or retirement.

AUDIT COMMITTEE

Your Company has a qualified and independent Audit Committee, the composition of same and other details are mentioned in the Corporate Governance Report for FY 2018-19.

The Audit Committee, as on 31st March, 2019, consisted of five (5) members out of which one was Whole-time Director and four were Independent Directors. Ms. Atreyee Borooah Thekedath, Independent Director is the Chairperson of the Committee. The composition of the Committee is as follows:

i. Ms. Atreyee Borooah Thekedath, Independent Director-Chairperson
ii. Shri Sunil Sachdeva, Independent Director-Member
iii. Shri Vikash Preetam, Independent Director-Member
iv. Shri Arun Tandon, Independent Director-Member
v. Shri Shyam Sundar Khuntia, Director (Finance) and CFO-Member

All the members of the Audit Committee are financially literate and some members possess accounting/ financial management expertise also. The Company Secretary acts as the Secretary to this Committee.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

STATUTORY AUDITORS & AUDITORS' REPORT

STATUTORY AUDITOR:

Your Company being a Government Company, Statutory Auditors are appointed or reappointed by the

Comptroller and Auditor General of India in terms of Section 143(5) of the Companies Act, 2013.

In terms of the Companies Act, 2013, Comptroller & Auditor General of India had appointed M/s Dutta Sarkar & Co., Chartered Accountants, having its office at 7A, Kiron Sankar Roy Road, 2nd Floor, Kolkata-700001 as Statutory Auditors of the Company for the FY 2018-19 for both Standalone as well as the Consolidated Financial Statements of the Company. Pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the remuneration of the Auditors for the year 2019-20 is to be determined by the members at the ensuing Annual General Meeting as envisaged in the said Act. Members are requested to authorize the Board to decide on their remuneration as per applicable statutory provisions.

REPORT OF THE STATUTORY AUDITORS

Report of the Statutory Auditors is annexed with the Financial Statements. The Statutory auditors of the Company have not reported any fraud as specified under the second proviso to section 143(12) of the Companies Act, 2013.

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The office of the Comptroller & Auditor General of India ('CAG') had conducted a supplementary audit of the Financial Statements (both Standalone and Consolidated) of the Company for the year ended 31st March, 2019. On the basis of the supplementary audit, CAG states that: (i) In context of standalone financial statements, in view of the revisions made in the statutory auditors report, to give effect to some of CAG's audit observations, they have no further comments to offer upon or supplement to the Statutory Auditors report under section 143(6)(b) of the Act. (ii) In context of consolidated financial statements, nothing significant has come to their knowledge , which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

MAINTENANCE OF COST RECORDS

Your Company has made & maintained such Cost Accounts & Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

COST AUDITOR'S REPORT

Cost Audit Reports for all the applicable products for the year ended 31st March, 2018 were filed on 4th October, 2018 with Cost Audit Cell of Ministry of Corporate Affairs within specified due dates.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 the Board of Directors, in line with recommendation of the Audit Committee appointed M/s. S. B. & Associates, Cost Accountants, as cost auditors for FY 2019-20 to audit cost records of all units of Strategic Business Units - Greases & Lubricants, Industrial Packaging and Leather Chemicals. The approval of members is sought for ratification of the remuneration of the said cost auditors.

SECRETARIAL AUDITOR

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. NK & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the FY 2018-19. The Secretarial Audit Report in Form MR-3 for the FY ended 31st March, 2019 is annexed here with and marked as **"Annexure 6".**

SECRETARIAL AUDITORS' REPORT

The qualifications / adverse remark / disclaimer made by the Secretarial Auditor and the corresponding management response are as enumerated below.

Sl. No.	Observation/ Comment/ qualification of the Secretarial Auditors	Clarification from the Management
1	The composition of the Board and Audit Committee were not in accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 because required number of Independent Directors have not been nominated by the Administrative Ministry, Ministry of Petroleum and Natural Gas.	The Company is a Government company as it is evident from the share holding pattern. As per the Articles of Association of the Company, so long as the Company remains a Government company, the President of India shall be entitled to appoint one or more person(s) to hold office as Director(s) on the Board. Accordingly, Ministry of Petroleum & Natural Gas, being the Administrative Ministry directs us regarding change or appointment of Directors. The Company has intimated the need for appointment of Independent Directors to the Administrative Ministry. However, it is to be noted that the composition of Audit Committee was not as per the Companies Act, 2013 and Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the period from 1st April, 2018 to 25th October, 2018 due to absence of sufficient numbers of Independent Directors which was subsequently reconstituted on 26th October, 2018 to bring its constitution in line with the said Regulation. However, as on the date of signing of this Report the Company has sufficient number of Independent Directors in furtherance to the instructions of the Admisnistrative Ministry, viz, Ministry of Petroleum & Natural Gas (MoPNG), Government of India.

ACKNOWLEDGEMENT

Your Directors are focused on creation of enduring value for all stake holders utilizing multiple drivers of growth in the diverse Strategic Business Units of the Company.

Towards that end, the Directors wish to place on record their sincere appreciation of the significant role played by the employees towards realization of new performance milestones through their dedication, commitment, perseverance and collective contribution. The Board of Directors also places on record its deep appreciation of the support and confidence reposed in your Company by its customers as well as the dealers who have contributed towards the customer-care efforts put in by your Company. The Directors would also wish to thank the vendors, business associates, consultants, bankers, auditors, solicitors and all other stakeholders for their continued support and confidence reposed in your Company.

The Directors are also thankful to Balmer Lawrie Investments Ltd. (the Holding Company) and the Ministry of Petroleum & Natural Gas, Government of India, for its valuable guidance and support extended to the Company from time to time.

Finally, the Directors wish to place on record their special appreciation to the valued Shareholders of the Company for their unstinted support towards fulfilment of its corporate vision.

On behalf of the Board of Directors

Prabal Basu
Chairman & Managing Director

D Sothi Selvam
Director (Manufacturing Businesses)

Registered Office:
Balmer Lawrie House
21 Netaji Subhas Road
Kolkata – 700001.

Date: 13th August, 2019

Annexure-1

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of the Board's Report for 2018-19)

Pursuant to the provisions of the Companies Act, 2013, the Listing Regulations and DPE Guidelines this report is an endeavor of the Board of Directors to provide an overview of each of environs in which the different Strategic Business Units [SBUs] of the Company are performing, and to analyze the underlying factors, which have acted upon or impacted the performance of the Company during the FY 2018-19 and the future outlook of the Company.

During the last five years, India's economy has done well. By opening up several pathways for trickle-down, the Government has ensured that the benefits of growth and macroeconomic stability reach the bottom of the pyramid. One such initiative is the promulgation of the Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits, and Services) Act, 2016. The linking of mobile numbers with bank account numbers and subsequently Aadhaar, created a JAM (Jan Dhan, Aadhaar, Mobile) trinity that further secured Direct Benefit Transfers to the intended beneficiaries.

Further, average inflation in these five years was less than half the inflation level of the preceding five years, matching the lowest levels attained in the country's post independence period. India took a few giant strides forward and became the sixth largest economy by sustaining growth rates higher than China, thereby earning the epaulette of being the fastest growing major economy in the world.

The creation of physical infrastructure accelerated significantly during 2014-19 which included:

- The construction of National Highways (NH) proceeded at a rapid pace with more than 132,000 km, which is 20% of the existing highway distance, was constructed in the last four years alone.
- The UDAAN scheme was launched in 2017 to promote regional connectivity by extending flight connectivity to Tier-3 and Tier-4 towns in the country. Over 30 unserved and underserved airports have been mainstreamed under UDAAN, with flights creating additional 40 Lakh seating capacity. With the surging demand in air-connectivity new green field airports are being rapidly developed.

As articulated by Hon'ble Prime Minister, Shri Narendra Modi, India aims to grow into a USD 5 Trillion economy by 2024-25, which will make India the third-largest economy in the world. Given 4% inflation, as the Monetary Policy Framework specified by the Government for the Reserve Bank of India, this requires real annual growth rate in GDP of 8%.

The Swachh Bharat Mission (SBM), one of the largest cleanliness drive in the world, has brought about a remarkable transformation and traceable health benefits. Through SBM, 99.2% of the rural India has been covered. Since October 2, 2014 over 9.5 Crore toilets have been built all over the country and 564,658 villages have been declared Open Defecation Free which has reduced deaths due to diarrhoea and malaria, thereby improved child health and nutrition.

India continues to remain the fastest growing major economy in the world in 2018-19 despite a slight moderation in the GDP growth from 7.2% in 2017-18 to 6.8% in 2018-19 in the background of :

- slowdown in world economy and "Emerging Market and Developing Economies" in 2018 and
- escalation of tensions between US and China.

As per World Economic Outlook, April 2019 the growth of the Indian economy is not projected to decline in 2019. The moderation in the economic growth was due to lower growth in "agriculture & allied", "trade, hotel, transport, storage, communication and services related to broadcasting" and "public administration & defence sector". From the demand side the moderation was primarily due to deceleration in private final consumption in last two quarters of 2018-19. However, India maintained its macroeconomic stability by containing inflation within 4% and manageable current account deficit to GDP ratio.

The service sector growth was moderated in 2018-19 to 7.5% from 8.1% in 2017-18 although the same was accompanied by growth in financial services, real estate and professional services. The service sector continues to outperform agriculture and manufacturing sector growth and contributed more than 60% of the Gross Value Added growth.

The outlook of the economy appears bright with prospects of pickup in growth in 2019-20 with an expectation of increase in private investment and consumption.

Against the aforesaid macro-economic backdrop, it would be seen from this report read with the Board's Report that the core competency of the Company lies in its ability to handle multiple diversified businesses in a manner to keep the top and bottomline healthy, despite adverse fluctuations in the business segments.

1. INDUSTRIAL PACKAGING

Industry Structure and Developments

Indian Packaging industry is estimated at ₹ 220,000 Crore which can be broadly segmented into Industrial and Consumer Packaging consisting of Rigid and Flexible sub-segments. Rigid Industrial Packaging can be further segmented based on size, type, material etc.

The 210L Mild Steel (MS) Drum industry, a part of the rigid industrial packaging segment, has over 70 players across India. The industry has higher capacity compared to the market demand leading to intense competition in the market place.

Balmer Lawrie & Co. Ltd is the market Leader in this industry with a market share of more than 34%. The SBU operates through seven manufacturing plants on pan India basis which include the state-of-the-art facility at Navi Mumbai. A new manufacturing facility has been set up at Vadodara, Gujarat in the current FY.

The SBU manufactures high quality products ranging from Open-Head, Tight-Head, Plain, Lacquered, Composite, Galvanized, Tall, Necked-In and Conical Drums catering to diverse industry segments and the best-in-class customers in these segments. These products are utilized for packaging Additives, Chemicals, Lubricants, Food & Fruit Pulp, Edible Oils and various Liquid and Semi Liquid substances.

Balmer Lawrie's Industrial Packaging is acclaimed for superior product quality, high reliability in supplies, modern manufacturing systems through customer centric experienced personnel. It enjoys a high brand value, large, diverse and growing customer base and pan-India presence. Its focus on continuous improvement, Quality Assurance, Innovation and sharp focus on Sustainability and HSE helps in having edge over competition.

During the year 2018-19, the Asaoti plant was rated for Silver Category under National Award for Manufacturing Competitiveness. It has received a Silver Rating from Eco Vadis – a global solution provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

The MS drum industry is a proxy for manufacturing industry. The key industry segments, which are catered to include: Lubricants, Chemicals & Agrochemicals, Food & Fruits, Transformer Oil, Additives and Bitumen & Bitumen Emulsion. With the Indian economy in the growth trajectory, the demand for MS drums is expected to continue registering growth in the coming years.

Opportunities & Threats

Opportunities

- Introduction of new products thereby enhancing the product portfolio
- Accessing new markets through exports
- Tapping new customers in Gujarat through the new plant at Vadodara.

Threats

- Substitute Products & Alternate Packaging (IBCs, RIBCs, Collapsible Bins, HDPE & Reconditioned drums)
- Competition from smaller players having locational advantage

Segment wise or product wise performance

Despite the shrinking of almost 15% addressable market due to MSME guidelines/Government regulations, the SBU has managed to increase its volumes over the last few years. Over the years, the

SBU has shown consistent growth in volume and turnover.

Lubricants, Chemicals, Transformer Oils and Fruit Pulp are the major segments contributing to approx. 90% of SBU sales and commissioning of Vadodara plant during the year is expected to provide a significant edge to the SBU for further growth.

Outlook

The MS drum market is expected to grow at a rate of ~5% with a higher contribution from Western Region. The SBU is well placed to take advantage of this growth with its already existing plants at Navi Mumbai and Silvassa and the new plant at Vadodara. The SBU anticipates significant growth in the coming years with the biggest drivers being Chemicals / Agrochemicals, Transformer Oils and Additives segment. SBU has plans to aggressively expand in the Exports segment.

Risks and concerns

Large number of unorganized players with low overheads, increasing presence of substitute products, low entry barriers etc. pose severe competition for the SBU.

The rising trend of steel prices has put the entire industry at risk, with customers seeking low cost alternatives such as HDPE drums.

Internal Control Systems and their Adequacy

The SBU is governed by performance budget system and internal control measures to monitor performance against targets/norms. BIS certification is available for all the plants of the SBU. All the six plants under the SBU are certified for ISO 9001:2015 and ISO 14001:2015 and OHSAS 18001:2007. During the year Silvassa Plant migrated to ISO 45001:2018 from BS 18001:2007. Additional controls are maintained through Internal Audit, Vigilance Inspection etc.

Discussion on Financial performance with respect to Operational performance

Despite high steel prices, the SBU through its proactive initiatives was able to maintain its profitability, though less compared to last year. The SBU achieved higher sales revenue and improved its overall efficiency through Operational Excellence across various manufacturing units.

Material developments in Human Resources / Industrial Relations, including number of people employed

The SBU continues to enjoy cordial relationship with employees at all its units. As on 31st March, 2019 the SBU had total 199 employees consisting of 70 Executives, 48 Officers and 81 Unionized employees.

2. GREASES & LUBRICANTS

Industry Structure and Developments

The lube market in India is expected to grow at a CAGR of around 4% over the next three to five years, with the Automotive segment accounting for 60-65% and the Industrial segment accounting for 35-40% of the market. India is the third largest lubricant market after China & USA. With an estimated finished lubricant market of around 1800 Million Litres, the lube market in India is valued at approx. USD 5 Billion. The competition in the market is intense with global players and local manufacturers putting up aggressive strategies for increasing their share in the market place. BP, Castrol, Exxon Mobil, Shell, Gulf, Total & Petronas are some of the major global players while the local manufacturers consist of IOCL, BPCL, HPCL, Tide Water, Savita, Apar etc.

Opportunities & Threats

Opportunities

- The Automobile market is one of the fastest growing, though the growth has reduced in the last 1 year
- With a low market share, there is immense opportunity for SBU : G&L to grow in a big and growing market
- Faster delivery to customers across India through three manufacturing plants located at Kolkata, Silvassa & Chennai
- Positive Brand Image for Greases and Specialties due to long presence in the industry
- Industry recognition in core sectors like Railways, Defense, Steel and Mining
- Excellent R&D facility

Threats

- Supply Security of base oils

- Aggressive pricing by competitors
- Higher marketing spends by competitors
- Introduction of Electric Vehicles, having potential to disrupt the industry

Segment wise or Product Wise Performance

The business of SBU: G&L may be divided into:

a) Contract Manufacturing and Processing

- Although the volumes have come down significantly, despite low margins, the SBU continues to remain in this segment in order to improve its capacity utilization

b) Direct Sales

The SBU's shift in focus to profit making non-tender businesses against volume-driven aggressively priced tender businesses has resulted in negative volume growth but a substantial jump in Profit. The SBU intends to continue focusing on

- Profitable and sustainable business
- Shift from aggressively priced tender business to non-tender business
- Shift from conventional products to value added products for better margins in Steel, Mining, Infrastructure, Fleet and Auto OEMs Segment
- Business Development and adding new customers
- Increased level of engagement with customers and end-users
- Reinforcement of the Technical Services team

c) Channel Sales (Automotive and Industrial)

The SBU has witnessed a stagnation in Channel Sales as compared to last year mainly because of a sluggish automotive demand in last 3 quarters of FY 2018-19 coupled with fierce competition and sales promotion from MNCs. PSU Oil companies tried to play on huge discounts to keep their sales intact. The SBU's small pack sales registered a growth over FY 2017-18 and it increased the number of Retail Outlets selling Balmerol brand, which contributed in increasing the profitability. The Balmerol brand has been recognized as one of India's Best Brands in 2019 by The Economic Times.

The SBU will continue focusing on

- Increasing network in focused states
- DEO & MCO
- Launch of Long Life Greases targeted for higher volumes
- Appointment of exclusive Distributors for MCO
- Increased visibility – Retail Display of new packaging at the dealer outlets
- Extensive mechanic contact programs.

Outlook

Increase in Retail Volume – Focus on DEO & MCO along with Greases.

Network expansion by increasing Distribution Network.

Implementation of Distributor Management Software (DMS), Customer Relationship Management (CRM) and Digital Loyalty Program for Mechanics.

Increasing Marketing activities (mainly BTL) and customer engagement programs.

Explore Opportunities in Transport & Infrastructure Segment which are the fastest growing segment in terms of Lubricant consumption.

Increase in Non-Tender Private Business.

Retain leadership in Grease Segment.

Risks & Concerns

- Dependency on tender business
- Inadequate Distribution Network
- Inadequate Brand Visibility
- Supply Security of Base Oils
- Lack of Global OEM Approvals
- Limited spends in marketing compared to MNCs and other major PSU Oil marketing companies

Internal Control Systems and their Adequacy

All units of SBU are certified for quality system management and periodic/recertification audits were conducted at all units for IMS 2015 (ISO 9001-2015, ISO 14001:2015 and OHSAS 18001:2007). The SBU has adequate internal control systems suitable for its business needs. The SBU also has a detailed Management Information and Control System to monitor performance against budgets / targets. Silvassa unit is additionally certified to ISO-TS 16949:2016 Quality Management System specifically for the automotive sector.

Regular audits have been conducted during the year for assessment of internal control systems such as HSE Audit, Energy Audit, Internal Process Audit, Internal Financial Controls Audit and Legal Compliance Audit.

Discussion on Financial performance with respect to Operational performance

As compared to last year, during the year under review, the SBU has witnessed a de-growth in its overall production, sales volume as well as topline. The bottomline of the SBU, however, has seen a significant growth over last year mainly due to the change in strategy of moving away from volume-driving aggressively priced tender businesses to profitable non-tender businesses, focusing on select segments to strengthen the Retail/Channel Sales.

The SBU has worked out strategies in the perspective of substitution, cost effective formulation, value addition, bio-degradable products, etc., to combat the challenge of margins in the coming FY.

Material developments in Human Resources/ Industrial Relations, including number of people employed

The SBU continues to enjoy cordial relationship with employees at all units. As on 31st March, 2019 the SBU had total 212 employees consisting of 90 Executives, 30 Officers and 92 Unionized employees.

3. LEATHER CHEMICALS

Industry Structure and Developments

The basic raw material for the leather industry are hides and skins, which is a by-product of the meat industry. The leather industry is making use of this perishable natural resource, converting it into value added durable product for human use, which otherwise would have got wasted and created extra burden on the environment through putrefaction. The leather industry is bestowed with an affluence of raw materials as India is endowed with 20% of world cattle and buffalo population and 11% of world goat and sheep population. Export of raw hides and skins is banned in India to ensure that the value addition through conversion of hides and skins into leather happens within the country, thereby generating considerable employment opportunity.

The annual leather production is around 3 Million sq.ft for catering to the domestic as well as export requirement, of which exports is valued at around USD 6 Billion. The Leather Industry holds a prominent place in the Indian economy and is among the top ten foreign exchange earners for the country. It is an employment intensive sector, providing job to about 4.5 Million people, mostly from the weaker sections of the society of which 30% workforce is predominantly women.

India is the second largest producer of footwear and leather garments in the world and fifth largest producer of leather goods. Footwear export accounts for a major share in India's total leather and leather product export. India is the second largest exporter of leather garments and third largest exporter of Saddlery and Harness in the world.

The major players in the leather chemical sector offers products for processing of leather during beamhouse, wet-end and finishing stages. The leather chemical business is dominated by MNC players apart from select few reputed domestic players such as Balmer Lawrie. Technical services and marketing support are rendered directly by the chemical companies while availability of products to customers is rendered through a network of distributors. Developing leather samples for the tanneries based on the changing needs of their buyers is the common approach of the leather chemical companies for generating business.

Opportunities & Threats

Considering the potential of the leather sector in terms of exports and employment generation, Government has identified the leather sector under its "Make in India" program and has already sanctioned ₹ 2600 Crore for upgradation of the industry. With the Government's interventions and measures, the industry can seek to enhance its productivity and global competitiveness capitalizing immensely from its growing domestic customer base.

Substitutes such as artificial leather and the growing environmental issues with respect to processing of leather are the major threats being faced by this industry. With sustainability being the key driver in the future, using natural products against artificial and synthetic leather will gain prominence provided the environmental impact from processing of leather is controlled and reduced through better and efficient effluent management systems.

Segment wise or product wise performance

Despite lower sales volume than the previous year, the SBU continued its profits through process improvement and Operational Excellence initiatives.

Outlook

With subdued global environment, protectionist policy being adopted by major economies and ongoing trade conflicts, the global economy is going through an uncertain phase which is impacting consumption as well as economic growth. Coupled with this, the shutdown of the leather industries and restricted production imposed on tanneries in India due to environmental issues are posing major challenges for the industry. However, the SBU is expanding its overseas footprint to cater to a larger customer base. It is also upgrading its technical service centers across various locations within India to meet the increasing technical service needs of the customers.

Risks and concerns

Higher input cost, closure of tanneries at Kanpur due to environmental issues, shrinking demand due to reduced leather processing activity are the major risks being faced by the SBU.

Internal Control Systems and their Adequacy

The SBU is a registered Member of Leather Working Group, UK. The manufacturing unit at Manali, Chennai is certified for Integrated Management System comprising ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 by M/s. International Certification Services Private Limited, Mumbai. Check and balances in systems and processes is maintained through Operational Excellence framework and periodic audits.

Discussion on Financial performance with respect to Operational performance

Despite many challenges such as escalating input cost, closure of tanneries across major leather production centers due to environmental issues, the SBU was able to better its financial performance compared to last year through proactive customer engagement and addressing their needs through better manufacturing practices.

Material developments in Human Resources/ Industrial Relations, including number of people employed

The SBU continues to upgrade the skills of employees through necessary training and development programs. The SBU maintained cordial relations with the collectives. As on 31st March, 2019, the SBU had total 89 employees consisting of 43 Executives, 15 Officers and 31 Unionized employees.

4. LOGISTICS

Logistics Infrastructure (LI)

Industry Structure & Development

Infrastructure development is critical to economic growth of a country. Logistics infrastructure which is combination of road, rail, air and waterways is considered as the backbone of the economy, providing efficient and cost effective flow of goods on which other commercial sectors depend. Logistics industry in India, which started evolving rapidly in the past decade, has been an interplay of infrastructure, technology and new types of service providers, which together work to reduce the logistics costs. It is estimated that India's Logistics industry will continue to grow at a rate 10-12% annually, at about 1.5 times the GDP growth rate. The LI business consists of four main segments

a. Container Freight Stations (CFS) typically set up in the vicinity of Ports,
b. Warehousing & Distribution (W&D),
c. Temperature Controlled Warehouses (TCW) (Cold Chains),
d. Multi Modal Logistics Hubs.

CFSs are an extended arm of the port set up primarily with a view to decongest ports. CFS provides an integrated platform for activities such as loading/ unloading, transporting, stuffing, de-stuffing of containers etc. During FY 2018-19, container handling at top 12 Ports in India grew by 9.2% which is higher than the last year's growth of 4.6%.The total container throughput in India during FY 2018-19 was around 10 Million TEUs while it was 9.16 Million TEUs in FY 2017-18. Presently, the Company has three state-of-the art CFSs located at Nhava Sheva (Navi Mumbai), Chennai and Kolkata. Incidentally, these three ports account for nearly 55% of the total container traffic handled in Indian Ports. The import volume in the three ports of JNPT, Kolkata and Chennai improved by 8.5% and the volumes moved to CFS from Port in these three cities went down by 2% during FY 2018-19 as compared to the earlier year. The main reason for the lower movement of boxes to CFSs was the Implementation of Direct Port Delivery (DPD) at Nhava Sheva and Chennai locations. The industry witnessed the implementation of technology driven policies to clear the containers or cargo at fast clip so as to promote "ease of doing business" for the importers and exporters. Initiatives such as advance filing of IGM and implementation of DPD especially at Nhava Sheva and the measures taken to streamline its effective implementation during FY 2018-19 resulted in a reduction in volume available for CFS.

Warehouses are the vital pillars of the supply chain for any company for an effective distribution of its products from factories to shops. Companies might own or lease spaces, but all of them need well-oiled warehouses to keep their supply chain spiffy.

Riding on structured reforms including the conferring of "infrastructure" status and the implementation of Goods & Services Tax Act (GST), the Indian warehousing and logistics sector is estimated to attract nearly $10 Billion investments over the next 4-5 years. With the addition of around 200 Million sq. ft. warehousing space across India, the total supply is expected to nearly double by 2022.

The Company's Warehousing and Distribution facilities are presently available at Kolkata and Coimbatore.

The Company has successfully won a contract for providing Central Warehousing in AMTZ which is developed by the Government of Andhra Pradesh for setting up a medical equipment manufacturing zone. The Company is operating on Build, Operate, Manage and Maintain model. The unit is expected to be commissioned during the current FY.

Cold chains help in storage and distribution of products that have to be maintained at a given temperature. India is currently the world's largest producer of milk, second largest producer of fruits and vegetables and has a substantial production of marine, meat and poultry products. Most of these products are temperature sensitive and require specific temperature ranges during storage and transportation. This has resulted in the establishment of a very large cold chain infrastructure in the country. The Indian cold chain market was worth ₹ 1,121 Billion in 2018. The market is further projected to reach ₹ 2,618 Billion by 2024, growing at a CAGR of 14.8% during 2019-2024. India's cold chain industry is still evolving, not well organized and operating below capacity. The Indian cold chain market is highly fragmented with more than 3,500 companies in the whole value system. Organized players constitute only 8–10% of the cold chain industry market. The key growth drivers include growth in organized retail and food service industry, growth in processed food sector, increased awareness in preservation of fruits and vegetables, increasing demand in health care sector, Government's initiatives, rising export demand for processed and frozen food. The industry has now become an integral part of the supply chain industry comprising of refrigerated storage and refrigerated transportation. In addition to the two TCWs (Hyderabad and Rai) which are operational, the TCW at Patalganga was successfully commissioned in the month of December'18. Apart from the existing 3 TCWs, proposal for setting up a new TCW at Bhubaneswar has been approved by the Board. This is being set up in the Chatabar region which is around 20 Km from Bhubaneswar and it is expected to be fully operational in early FY 2020-21.

Despite the lukewarm economic sentiments, the rise of e-commerce Logistics & expected increase in domestic consumption, the LI industry is expected to grow in coming years.

Opportunities & Threats

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries which offers a glimmer of hope to this industry. Further, the initiatives such as Sagarmala Programme, ₹ 8.5 Trillion investment initiative of the Government of India entailing setting up of new mega ports, modernization of India's existing ports, development of 14 Coastal Economic Zones (CEZs) and Coastal Economic Units, enhancement of port connectivity via road, rail, multi-modal logistics parks, pipelines & waterways etc. are likely to aid in accelerated growth. It is to be noted that the growth of traffic at non major ports has been increasing significantly year on year. With the implementation of GST and the increase in volume of containers getting cleared through DPD, the handling of LCL consolidators' cargo and venturing into Warehousing and its affiliated activities can be seen as opportunity in the long term for CFS operators.

Large import houses are showing keen interest to have direct negotiation with CFSs by removing dependence on mediators, which is likely to be a good opportunity for CFS operators. In addition to this, due to the strict implementation of policy of DPD by customs, Import houses are in need of the Warehouses / CFS where they can stock the cargo till their customer requires the raw material. The advantage of Balmer Lawrie having its CFS in three major locations coupled with the strength of its relationship with major shipping companies, its efficiency of operations and ability to offer integrated and customized services are continuously providing opportunities for growth. Factors such as growth in external trade, growth across major industry segments such as automobile, manufacturing, pharmaceuticals and FMCG and the emergence of organised retail have had favourable implications on the growth of the warehousing industry.

For the last few years, CFS /ICD (Inland Container Depo) industry was facing tough times which reflected in declining container volumes for CFS and reduced profit margins for most of the operators. The profit margins are also affected for multitude of reasons like DPD implementation, increasing demand for incentives from Shipping Lines, increased demand of freebies from forwarders, CHAs, forwarders & agents, reduction in logistic costs sought by Importer and Exporter, Shipping Lines wanting to have their own CFS and offer captive market to their CFS etc. The Shipping Lines and ports are going for backward integration in order to offer customised logistics solutions to their customers. The decrease in the dwell times of the containers at the CFS is affecting the bottom line of the organization.

As part of the overall mission of 'Ease of Doing Business', the Prime Minister's Office (PMO) had directed the shipping ministry to increase the share of "direct delivery" consignments at Indian ports. On an average around 43% of the total volume was getting cleared through DPD in FY 2018-19 from Nhava Sheva which is huge considering the size of the market. Under the DPD system, import containers are delivered directly to pre-approved clients at the port itself, reducing cargo dwell times and cost for shippers. Land acquisition issues, high capital investment, low technology penetration, lack of supporting infrastructure and fragmented market are collectively impeding the growth of this business segment.

Growth in share of minor ports, higher efficiency in operations in private ports etc. may lead to volume getting diverted from the three major ports of JNPT, Kolkata and Chennai to nearby ports. This could affect the volumes for the Company. There is no perceptible improvement in project activity in the country which could also affect the volumes. Excess capacity build up in the three locations where the Company has CFSs is seen as negative growth driver for this business vertical.

On the positive side, however, several growth drivers are expected to spur growth of industrial warehouses. Support from Government in addressing long pending issues will quicken the growth momentum. There are growth opportunities in the Cold Chain sector primarily in Quick Service Restaurants (QSR) and Modern Retail (MR) segments. Changing consumer preferences for convenience and processed foods will also aid growth in the cold chain industry. The Government of India is also setting up 30 Food Parks to promote the cold chain industry. The Indian Pharma industry is also giving a boost to the cold chain industry. Main challenges for this industry are scarcity of domain skills, lack of logistical support, uneven distribution of cold storages, cost structure and erratic power supply in most of the places.

Segment wise or product wise performance

Logistics Infrastructure and Logistics Services verticals continue to drive the bottom-line of the Company. During the year, the CFS business could not grow in volumes, revenues and earnings as compared to the previous year primarily due to adverse impact of the policies being implemented by the Government for promoting the DPD on the CFS Industry and the competitive scenario prevailing in the industry. The Company was able to however, retain its present set of customers and contain the adverse impact of the change in policy/approach of the Government.

Realizing the limitations of the DPD model, the policy makers are bound to re-model the cargo evacuation system, keeping CFS as the fulcrum. In our view, the beleaguered CFS business will be back on track with inefficient players exiting and flexible and agile CFS operators getting adequate businesses to fill up their CFS.

Warehousing activity continues to perform well during the year due to better utilisation of space.

Future Outlook

Considering the potential in Cold Chain Logistics, the Company ventured into setting up Temperature Controlled Warehouses (TCW). The first state of the art TCW was commissioned in Hyderabad in March, 2016. The second TCW at Rai is established and started operation from October 2017. The third one at Patalganga near Panvel has been commissioned in FY 2018-19 and has already started commercial operation. The Company is also in the process of setting up a cold storage in state of Odisha. Through these facilities, the Company will not only be providing reliable temperature controlled solutions but also act as a differentiator in the TCW domain. Looking at the future of the cold chain industry, further expansion will be planned once the operations stabilise in the three facilities.

Balmer Lawrie also set up a Multi Modal Logistics Hub (MMLH) at Visakhapatnam in a joint venture (JV) with M/s Visakhapatnam Port Trust (VPT). Based on the MOU signed with VPT, land of approximate 53 acres was allotted to the JV by VPT for putting up a MMLH. License to operate a CFS in MMLH complex has still not been received and as such non CFS operations are being presently carried out. Concerted efforts are being made to get the licence soon. The Company also manages Integrated Check Posts (ICP) and is presently managing ICPs at Jogbani and Raxaul.

Risks & Concerns

The Government initiative for increased DPD affected the volumes handled at CFS/ICD facilities in FY 2018-19; however the volumes being handled under DPD scheme has now stabilised and may no longer cannibalise the CFS volumes. Additionally, the Company has been diversifying its product portfolio to address all logistics needs of the customers under one roof and continuously offering services that can synergize well with the existing set of services enabled by technology. The dwell time of the containers at the CFS has been falling drastically year on year due to the implementation of technology driven policies by Government to get the clearance of the containers with minimum documentation work. Opportunities for earnings are coming down year after year and per TEU profitability is continuously under pressure. In view of the stiff competition, CFS are not able to pass on the increase in costs to the customers. Over the last few years, service levels being offered by a good number of CFS operators are almost similar with the users being indifferent to doing business with any particular CFS. Overall there is a substantial reduction in earning per TEU for most of the CFS operators. Entry Level barriers is not high and the new players can always get into the CFS business, however the Government has taken a step of not issuing fresh licenses for setting up CFSs at major ports such as JNPT, Chennai, Visakhapatnam and Mundra. Expansion of the existing CFS continue to be difficult as acquiring contiguous land with clear title in proximity is a time consuming and long drawn out process. Threat from DPD is very high especially for Mumbai as the volumes available for CFSs as a whole has come down sharply since the beginning of 2017. All the aforesaid risks and concerns are faced by the entire CFS Industry. These are being addressed through appropriate management intervention, engagement with Government, employee involvement and improved processes.

Internal Control Systems and their Adequacy

The Company's IT Infrastructure and operational software is continuously reviewed and modified in line with business requirements and technology enhancements. The Company has successfully taken steps to transform technology landscape with higher digitalisation of business. LI through its Operation package "i-Comet" has built in high degree of control with checks and balances to conduct its operations effectively and efficiently. Financial records are however maintained in SAP. There are periodic internal and external audits conducted for the SBU:LI, like all other SBUs of the Company has a very robust Performance Budgetary control system whereby actual performance is weighed against the Business Plan developed before the commencement of the year. All the three units of LI are certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Discussion on Financial performance with respect to physical / Operational performance of SBU

Loaded Import arrivals to our CFS were down by 12% compared to the previous fiscal. However, export has grown by 27%. This brought down the SBU's turnover by 8% and the profits by 9% over last year levels.

Material development in Human Resources/ Industrial Relations, including number of people employed.

Industrial relations in all the units of CFS and W&D remained cordial right through the year. The SBU had total 142 employees consisting of 48 Executives, 27 Officers and 67 Unionized employees.

Logistics Services (LS)

Industry Structure and Developments

The Logistics industry of our country which was valued at USD 160 Billion by the end of the year 2017 is expected to touch USD 215 Billion by year 2020 growing at a CAGR of 10.5%. Global "Logistics performance index" released by World Bank shows that India has slipped to 44th rank in 2018 from 35th rank in 2016. India spends around 14% of its GDP on logistics and transportation as compared to 10-11% spent by BRIC countries, 8-9% by developing countries and around 9.50% by USA.The share is set to shrink to 10% by 2022. Higher logistics costs in India could be ascribed to the lack of efficient inter-modal and multi-modal transit systems and wastage due to poor warehousing facilities.

In India, logistics industry continues to grow and prosper due to growth in retail, e-commerce, manufacturing and various other sectors. The phenomenal rise in e-commerce and increased domestic consumption is expected to aid the growth of the logistics sector. The primary elements of logistics cost are transportation through rail, road, air and water, inventory management and warehousing. The logistics industry nowadays witnesses a high usage of IT infrastructure and software to provide quality services to its users. Logistics firms are expected now to provide end to end supply chain solutions to their customers rather than being just a service provider.

Opportunities and Threats

With the entry of global giants and large Indian corporate houses, the industry has become highly competitive. A number of significant mergers and acquisitions have taken place in recent times which is ultimately leading to consolidation of the industry at various levels and segments. The industry is moving towards an organized set up with the global giants focusing on increasing their presence in India. Traditional small freight forwarders are under threat by new business models being established. Logistics industry has been growing as it is now possible to reach any two destinations with alacrity - unseen and unheard of a couple of decades ago. Since digitization kicked off, growth and speed has become even more noticeable.

Digital transformation in "freight forwarding", where your Company is primarily into, has changed the way the transactions are carried out. Most of the processes which were done manually in the past are now mechanised, which can actually significantly reduce the operational costs. This provides a big opportunity for the organised players in the market. The sales and marketing landscape has changed dramatically. The customer now controls the buying process much more overtly than ever before with the intention of cutting down costs and eliminating middle men. Carriers, Customs House Agents (CHAs), Container Freight Stations play a less decisive role in freight movement. The Project Logistics segment has faced some headwinds because of a down turn in the capex spend across India. Your Company expects a revival in the targeted sectors - EPC, fertilisers and defence. These sectors will offer a good scope for Project Logistics movements where your Company is interested.

The consolidation among Shipping Lines throughout the world after the bankruptcy of Hanjin created a ripple in the market. Freight rates are very volatile which affects the profitability of some of our long term fixed rate contracts. Threat from Shipping Lines directly approaching the customer and quoting for “freight” has also become a trend in the industry.

Segment wise or Product wise Performance

Air freight services continues to be a dominant activity of the SBU and contributes to around 2/3rd of the SBU’s overall topline. Other than Air Import and Air Export freight services, Air Chartering activity has contributed around 3% to the topline.

During the year the SBU’s topline was flat as compared to the previous fiscal. However, there was an approx.10% growth in business from Private Sector and a 10% growth on Ocean Freight movements.

Sluggish economic conditions coupled with severe price competition both in air freight and ocean freight were primarily responsible for the lack of growth in turnover. Bottomline of the SBU was about 10% down compared to the previous year due to reduction in gross margins.

Outlook

SBU would like to tap the private sector more and more to increase its topline. Ocean freight is being given special attention for growth as this vertical together with Logistics Infrastructure vertical of the Company approach the customers offering bundled services from one roof as a one stop solution. The advantage of the Company having an excellent relationship with most of the Shipping Lines right from 1994 (when first Container Freight Station was set up in Kolkata) will be fully used in driving growth of “ocean freight”. Structural changes have been made to provide more focus on customer service levels. The Company is also looking to open offices in a few countries to push for growth in this vertical.

The SBU is also closely monitoring the 3PL market which has a CAGR projection of 19-20%.

Risks and Concerns

Reliance on Government and PSU business is a major risk. Major import shipments are getting converted to Cost Insurance Freight (CIF) from Free on Board the ship (FOB) as most of the customers would like to give the responsibility for movement to the supplier than to engage a “Freight Forwarder (FF)”. This reduces the scope and business of specialist “Freight Forwarders (FFs)” like your Company. Similarly many export contracts are being finalized on FOB terms where the buyer arranges the freight movement. In both these scenarios, the International FFs get a better share of the freight than an Indian FF like your Company. The reduction in the “free time” at International Gateway is also putting enormous pressure on FFs to clear the cargo without incurrence of “demurrage”. Customers always want to avoid payment of demurrage and it becomes a cost to FF if there is a delay in clearing the consignments.

There are many small players in the industry who have been in business since ages. They together continue to hold a good share of the total market. Many small customers are willing to give business to the unorganized sector on account of “relationship” built over the years with the owners. This industry continues to be regarded as unorganized as the share of corporates/Multinational FFs is still a small percentage of the total market. There are no entry barriers to the Freight forwarding industry as the initial investment is quite low.

Business for FF like your Company gets squeezed as some of the top importers and exporters have long term contracts with Multinational FFs and they just take quotes from local FFs to renegotiate the specific rates with such Multinational FFs. Through this process customers ensure that they pay market driven rates to the FFs.

The SBU has strengthened its Sales & Marketing team by positioning adequately experienced logistics professionals across the country to grow its business and to meet the customers needs. CRM is being given thrust to get repeat orders and to increase our share in customers’ procurement.

Despite all the concerns, the SBU is confident that with adequate steps being taken in terms of policy changes, recruitment of competent people, training the new recruits, increasing the number of associates, working out long term contracts with airlines and Shipping Lines etc, the business will grow and this vertical will continue to be bottom line driver of the Company.

Internal Control Systems and their Adequacy

The SBU has in place an effective Internal Control mechanism and during the year under review, a fairly large number of Internal Audits were carried out in all branches and the findings were found to be satisfactory. Our internal audit partners conducted random test of Internal Financial Control in areas involving billing to customer, Collection, Operation etc. and subsequently test checks carried out by Statutory Auditor in compliance with new requirements under the Companies Act, 2013 and results were satisfactory. All the branches of the SBU are ISO 9000—14001 accredited & re-audited and have been able to receive the accreditations till 2021-22. The SBU could successfully renew the Multimodal Transport Operator (MTO) License till 2022. The SBU joined the Association of Multi Modal Transport Operators of India (AMTOI) and renewed its affiliations with IATA, The International Federation of Freight Forwarders Association (FIATA), Air Cargo Agents Association of India (ACAAI), CII etc.

Discussion of Financial performance with respect to Operational Performance

During the year, the SBU recorded a growth of 1% in Turnover which came on the strength of higher billing to private sector clients. The SBU was able grow its Ocean Freight Volume by 10% but lower margins due to acute competition did not help the cause of growth in topline. Some imports of key customers were done on CIF basis (as against FOB earlier where the freight was handled by your Company) which affected the topline.

Material Developments in Human Resources/ Industrial Relations, including number of people employed

Industrial relations continue to be cordial at all units even as the SBU operated with tight manpower. The SBU engaged 42 apprentices under the Optional Trades Category launched under “Skill India Mission” by Logistics Skill Council. They were given exposure in all aspects of operations and many of them were found to be highly charged, self-motivated and hard working. The SBU had total 128 employees consisting of 78 Executives, 34 Officers and 16 Unionized employees.

5. TRAVEL & VACATIONS

Ticketing

Industry Structure & Development

Air travel not just for business but for personal needs is common these days and it is evidenced by a double digit growth in the number of air travelers year on year basis. India is currently considered the third largest domestic civil aviation market in the world. Balmer Lawrie is one of the leading Travel Management Companies in India catering to a large section of Government and PSU customers with 12 IATA branches across the country. The SBU has continued to perform well and shown remarkable consistency both in turnover & profit for the past two years.

Opportunities & Threats

This vertical primarily issues tickets for both domestic and foreign trips. Besides the facilitation work other peripheral services like arranging for visa, hotel, car etc. are also done by the vertical. As the travelling per se is not diminishing, this business has abundant growth opportunities. Development of airports, expansion of airports, severe competition among the airlines, increasing number of middle class families, higher disposable income etc. contribute to the growth of this industry.

The SBU is vigorously promoting the Self Booking Tool (SBT) for large organisations/corporates like SBI, GAIL, IOC, Power Grid etc. Under this mode, the customers have complete visibility on the fares charged by various airlines which provides the much needed transparency to the transactions. Once the customers are satisfied that the fares charged are the same as what the airline has charged the agent, the relationship becomes strong and more and more business flow in. This tool avoids manual intervention besides capturing all the details of booking, cancellation, payment etc. on real time basis. The same can be accessed any point of time aiding in a digital transformation of this business vertical.

The year that went by saw feverish activity in the industry from Online Travel Agencies (OTAs) and large travel corporates. There were major acquisitions, with one company taking over Yatra, Forex provider centrum, Weizmznn and SL forex. Generally there is no price war seen in this industry as the earnings are pretty less. However, of late, more and more organisations are getting into currency exchange, providing hotel, car etc. as part of "value added offering" from a single roof to their customer to make their trip uncomplicated.

There is an alarming trend of decrease in commissions and margins due to the abrupt withdrawal of Jet Airways from the skies. This also led to a sharp increase of almost 35% in fare for international journeys.

Air Space closure too has greatly impacted all carrier flying to the west and major airlines specially Air India are suffering huge losses.

Segment wise and Product wise Performance

The ticketing vertical has been operating primarily in the areas of ticketing for Corporates/Government clients, LTC tickets for Government servants/their families and walk-in clients – offline and online in B2C segment. This vertical achieved a 14% growth in travel volumes during the year 2018-19. With tremendous growth potential in the industry and head room available for growth in B2C segment, your Company is confident of further growth and maintaining the profitability momentum witnessed in the last couple of years with a transparent pricing mechanism.

Most of the agents and OTAs do not make profits/ make only less profits. Despite this trend, this vertical made almost similar profits as the previous year after registering an increase of 6% in net sales over the last year. The trend of airlines squeezing costs by reducing the commission, Productivity Linked Bonus and segment fees continue. This will affect the earnings of any agent. Thus, the solution lies in increasing the turnover and in adding more corporates with better commercials.

Risks and Concerns

There is an increasing trend to deal with just one Global Distribution System (GDS) player by some airlines by renegotiating commercials. This may actually mean that most of the travel agents will have to deal with more than one GDS at any given time leading to higher initial costs and more integration issues besides inferior commercials. Jet Airways opted out of one GDS and renegotiated with another. Air India content is also likely to be available only on one GDS from 2020. All this might lead to some disruption and loss of earnings for the agents.

Most of our customers do not pay service charges which makes it tough to remain viable. Some customers also pay after 60 days while the airlines receive money instantly or in 10 days time for the tickets booked leading to a huge gap in working capital management. The entry of large giants like Amazon in the ticketing business offering large discounts can be a matter of serious concern.

Your Company is trying its best to manage the concerns by increasing the volumes in B2C business besides adding new customers with better commercials.

Internal Control System and their Adequacy

This vertical part of SBU: T&V has an effective internal control mechanism in place and during the year under review, internal audits were carried out in all the branches and the findings were found to be satisfactory. Significant progress has been made in terms of digitization of the operational records i.e. Booking request records, ticket copy, receipt of collection details from clients etc. Outstanding alerts to clients are being given to ensure timely collections. As far as SBT business is concerned, whole business is conducted in paperless mode and there is a direct integration with customer ERP systems.

With travel technology changing rapidly in the market, this vertical is also in the process of upgrading its mid office software to provide cost effective and best in class solutions to its customers.

This will lead to lower reconciliation issues with the customer, timely submission of invoices and quicker collections. The vertical is working towards making the customers experience extremely pleasant.

Material Development in Human Resources/ Industrial Relations, including number of people employed

This vertical suffers from a higher attrition of staff. There is a tendency for engages to leave for a smaller increase in salary. We are putting in place a proper training calendar so that the engages remain motivated and take up senior positions later in their career. We are also augmenting the on Job training modules for new engages so that the quality of service delivered remains unaffected despite a mix of new and existing staff.

Industrial relations continue to remain cordial.

Vacations

Industry Structure & development

In India, the Tourism sector had been performing well with Foreign Tourist Arrivals (FTAs) growing at 14% to 10.4 Million and Foreign Exchange Earnings (FEEs) grew at 20.6% to USD 28.7 Billion in FY 2017-18. However, the sector witnessed a slowdown in FY 2018-19. The Foreign Tourist Arrivals (FTA) in FY 2018-19 stood at 10.6 Million registering a small growth of 2.1% only over FY 2017-18. Outbound tourism increased in recent years, with the number of departures of Indian nationals going up steadily. Presently, it is more than double the foreign tourist arrivals in India.

Indian travellers took approximately 2 Billion domestic and international trips in 2018, spending nearly $94 Billion on transportation, lodging and consumption during their travels. The travel and tourism sector is the seventh highest contributor to GDP and its share has increased from 6.7% in 2013 to approx. 9.6% of India's total GDP in 2016, nearing developed market levels such as the UK's 10.5%.The market is expected to grow by 13% CAGR to $136 Billion in 2021.

The Government has also been making serious efforts to boost tourism sector like Infrastructural upgrade of new airports, expansion of road network (NH expansion), e–Visa facility to the nationals of 163 countries and launch of several branding & marketing initiatives such as 'Incredible India!' and 'Athiti Devo Bhava' which provide the necessary impetus to growth.

Travel and Tourism industry is highly fragmented and competitive comprising of reputed large MNCs, small and medium sized domestic/regional companies as well as small local outlets. Organized large players primarily generate demand through innovative marketing campaigns and attractive pricing strategy, while small and medium sized local/regional companies play by providing highly customized personal level services and by keeping their overheads at the lowest possible level.

Your Vacations vertical has researched and accordingly planned strategic actions to leverage on the growing market demand and favourable Government initiatives. The products are designed in line with the current market trends and priced competitively. Suppliers across the globe are selected with great detailing to ensure high level of service quality and cost effectiveness. Manpower is trained to provide wide spectrum of end to end niche services to its retail and corporate customers.

Opportunities and Threats

The Indian tourism industry has emerged as one of the key drivers of growth among the services sector in India. It has a huge growth potential. India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism. India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey. Nearly $24 Billion incremental bookings will be made online by 2021, as the share of online travel bookings will increase from 25% in 2018 to 35% in 2021. Internet penetration will increase from 33% in 2018 to 50% in 2021. Also, India has the second-highest active Internet user base (390 Million in 2018). To take advantage of this rising online spending, Vacations vertical is working towards technology upgradation – CRM, ERP Software, Call Center etc. to further enhance the user experience and to automize the day to day tasks in order to improve efficiency and productivity.

At the same time mass cohorts are underpenetrated; of the 160 Million non-transacting active Internet users in India, less than 5% of online travellers are from Tier-2 or Tier-3 cities. There is also opportunity among existing users who tend to distrust online channels when it comes to payment and general terms at the booking stage. Their online engagement drops after the research phase, as many still prefer to book offline. Your Company is ready to tap this opportunity and is focusing towards opening retail outlets at strategic locations.

Additional growth opportunity exists in Corporate Business and MICE (Meetings, Incentives, Conferences, Events) and Vacations vertical is actively participating and winning tenders in this segment.

Discretionary nature of leisure travel, unfavourable & volatile currency, unavailability of trained and skilled manpower, under cutting of prices by large players by way of offering huge discounts and aggressive marketing by not only online travel companies but also by big MNCs may pose significant challenges for the business in the short, medium and long term.

Segment wise or product wise Performance

The business grew in FY 2018-19 in volumes, revenues and earnings as compared to the previous year primarily due to uniformity in pricing across branches, introduction of new products as per market trends, winning new corporate and Government business, focused approach on limited but effective distribution partners – Franchisees & PSAs, etc.

Outlook

The global market trend is encouraging. The Vacations vertical is laying thrust on the retail sector by opening Retail Outlets at various strategic locations in India. The vertical has signed MOU with some companies for providing end to end (Home to Home) services that includes Hotel, Ground Transportation, Food, Insurance, Visa etc and is further working towards winning MICE tenders and Corporate Business to drive revenue growth. Rigorous efforts are being made to drive sales growth by introducing new products in line with market trends, aggressive pricing etc. The vertical is optimistic about the business scenario and with concentrated market development activity, is confident of further improved performance in the coming years.

Risks and Concerns

The Vacations vertical has the following concerns:

- Decreasing Customer Loyalty – With more holiday bargains on the internet than ever before, along with a host of small agencies and big hitters vying with each other to seek the attention of potential travellers, customer loyalty is a rare thing in today's market.
- More Choice than ever – Highly fragmented market and stiff competition is eroding margins.
- A Few Players Dominate the Market - Dominant players have a stranglehold on the industry. They pull in more online traffic because of their elephantine spent on marketing.
- Skilled Manpower - With aggressive market expansion and growth, acquiring and retaining quality manpower at a reasonable remuneration is becoming increasingly difficult.

However, the vertical has a clear strategy and planned appropriate actions to face the identified risks and remain as one of the top trusted travel & holiday players in the country.

Internal Control Systems and their Adequacy

The ERP software for increasing the efficiency, productivity and automation of day to day tasks is under development and the benefits are likely to accrue in the coming years. The vertical is also taking required steps for implementing various technology initiatives like CRM, User Interface / user Experience improvement at various digital touch points of your Company, Call Centre etc. The Vacations vertical has in place an effective internal control mechanism and during the year under review, a good number of internal audits involving customer feedback management, billing to customers etc. were carried out in all branches and the findings were found to be satisfactory.

Discussion on Financial performance with respect to Operational performance

Vacations vertical during the just ended FY achieved a breakeven for the first time since its acquisition. The vertical could have done even better but for the reduction in NRI business (23.78% compared to the previous year) and lower retail sales as branches were operating with skeletal manpower. However, the vertical has won a few tenders and has signed MOUs with some Corporates for FY 2019-20. Your Vacations vertical has also added new products and newer destinations to the offerings which are in high demand. This coupled with the opening of retail outlets will further help in business growth of the vertical.

Material developments in Human Resources/ Industrial Relations, including number of People involved

Employee / Industrial relations continued to be cordial at all branches of Vacations vertical despite many branches working with skeletal manpower. Selection of 30 employees is under process and vertical is further working towards filling the approved vacant positions through lateral and campus recruitments.

6. REFINERY & OIL FIELD SERVICES

Industry Structure and Developments

The SBU: Refinery and Oil Field Services (ROFS) is engaged in oily sludge processing for refineries and oil exploration companies and recovery of useful and valuable hydrocarbons for reuse. It is not only generating valuable hydrocarbons but also eliminating the environmental hazard from untreated sludge. The SBU is the pioneer in mechanized oily sludge processing in India and maintains leadership position with around 70% market share.

Opportunities and Threats

By virtue of being a pioneer with patented technology back up, the SBU could process a substantial amount of oily sludge during past two decades and developed a loyal list of satisfied clientele, which drives the business. The SBU has an exclusive license agreement with its technology partner based in Europe who has developed the patented BLABO process, which enjoys the technical superiority over other processes across the globe.

To maintain its competitive edge in the market, the SBU is focused on technology upgradation to stay at par with global standards. The upgradation is being done in close association with its technology partner and investments are being made for acquiring the latest technologies coupled with latest software and other separation equipment. The SBU is also looking towards augmentation and diversification of its service offerings to cater to the needs of related/allied sectors and new areas to fuel business growth.

This being a specialized field, the SBU constantly faces challenges with respect to availability of trained and skilled manpower for carrying out onsite operations. Though technology acts as an entry barrier, small players with average technology are trying to make inroads by offering competitive prices.

Segment wise or Product wise Performance

The SBU achieved the targeted turnover and profit for FY 2018-19.

Future Outlook

The periodic maintenance work of the Oil Industry as per OISD guidelines will contribute to the demand for this business in future years.

Moreover, stricter norms put in place by the pollution control boards, greater awareness and concern for the environment and the need for sustainable and responsible business will drive the future demand for treatment of hazardous oily sludge in refining and oil exploration companies. The market demand is expected to be focused on faster execution timelines and better HSE compliance, with preference for closed loop technologies, requiring minimal manual intervention, thereby negating the hazards related to exposure to hazardous oily sludge.

Risks and Concerns

The major risk foreseen by the SBU is the entry of new competitors in the market as well as emergence of newer technologies for sludge processing. Along with local players, multinational companies through their associates in India are exploring opportunities in this sector.

Increased competition in the market can put downward pressure on market share as well as profit margins for the SBU.

Other risks include adoption of modern technologies in refineries, which would reduce generation of oil sludge in the storage tanks, thereby limiting the need for sludge processing in the long run.

The SBU is working towards mitigation of the risks through upgradation of technology, as well as expansion and diversification of service offerings and client base.

Internal Control Systems and their Adequacy

Tank Bottom Sludge processing and Lagoon Sludge Processing are on site operations and the SBU adheres to the best norms and HSE practices followed by oil refineries and oil exploration companies. No near-miss incidents have been recorded by the SBU during the year. Periodic audits, risk mitigation measures and compliance to HSE guidelines ensure robustness of the internal control systems.

The SBU is ISO 9001:2015 certified and the certificate is valid till March 2020.

Discussion on Financial performance with respect to Operational performance

The SBU was able to exceed the targeted operational turnover and profit during the FY 2018-19. The operational efficiency was maintained at the highest level with much higher throughput and capacity utilization compared to industry standards.

Material developments in Human Resources/ Industrial Relations, including number of people employed

The industrial relation was cordial and there were no industrial disputes during the year under report. The SBU had total 24 employees consisting of 14 Executives, 9 Officers and 1 Unionized employee.

KEY FINANCIAL RATIOS

Ratios	2018-19	2017-18
Debtors Turnover	6.78	6.50
Inventory Turnover	13.28	12.46
Interest Coverage Ratio	70.74	91.48
Current Ratio	2.25	2.33
Debt- Equity Ratio	0.01	0.01
Operating Profit Margin on revenue from operation %	11.19 %	11.03 %
Net Profit Margin %	10.15%	11.29%
Return on Net Worth %	14.75%	15.26%

NOTE: The change in Return on Net Worth is very insignificant at 3%. The same is mainly on account of increase in the net worth over previous year.

CAUTIONARY NOTE

The statements in the Management Discussion & Analysis describing the Company's focal objectives, expectations and anticipations and those of its SBUs may be forward looking within the meaning of applicable statutory laws and regulations. Actual results may differ materially from the expectations expressed or implied in such forward looking statements. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of products, input availability and prices, changes in Government regulations / tax laws, economic developments within the country and factors such as litigation and Industrial relations.

The information and opinion stated in this section of the Annual Report essentially cover certain forward looking statements, which the management believes to be true to the best of its knowledge at the time of its preparation. The management shall not be liable to any person or entity for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

The nature of opinions herein are such, that the same may not be disclosed, reproduced or used in whole or in part for any other purpose or furnished to any other person with out the prior written permission of the Company.

Annexure-2

BUSINESS RESPONSIBILITY REPORT (2018-19)

Introduction

In 2015, the Securities and Exchange Board of India (SEBI) mandated the top 500 companies listed on the National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange (BSE) to prepare a 'Business Responsibility Report' (BRR) as part of the Annual Report. This is based on clause (f) of sub regulation (2) of regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Business Responsibility Report captures organizations' non-financial performance across the economic, environmental and social bottomline. It helps the businesses in being aware of their economic, environmental and social obligations while also balancing these in an ethical manner. Balmer Lawrie, featuring amongst the top 1000 listed entities, has developed this Business Responsibility Report voluntarily based on the framework suggested by SEBI.

At Balmer Lawrie (BL), our efforts are focused on taking forward our sustainability objectives, which are well aligned with our business goals. The Company believes that overall development throughout the value chain is crucial for long-term development. Further, by incorporation of sustainability practices in its operations, BL ensures the well being of its employees, communities and other stakeholders. Greening operations, technological upgradation, community development, and stakeholder wellbeing are some of the avenues through which the Company endeavours to improve its non-financial performance.

Section A : General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L15492WB1924GOI004835
2. Name of the Company: Balmer Lawrie & Co. Ltd.
3. Registered Address: Balmer Lawrie & Co. Ltd., 21, Netaji Subhas Road, Kolkata – 700 001
4. Website:http://www.balmerlawrie.com/
5. E-mail ID:adika.rs@balmerlawrie.com
6. Financial Year reported: 2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise)
   - Industrial Packaging
   - Greases & Lubricants
   - Leather Chemicals
   - Logistics
   - Travel & Vacations
   - Refinery & Oil Field Services
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)
   - Industrial Packaging (Steel Drums)
   - Greases & Lubricating oils
   - Logistics Infrastructure & Services
9. Total number of locations where business activity is undertaken by the Company:

   The Company operates from India with its presence across the country. For more details on plant locations refer to the "Office & Plant Locations" section of the Annual Report.

10. Markets served by the Company – Local/State/National/International:

    The products and services offered by Balmer Lawrie have a national presence and some of the products are exported to neighboring countries including Nepal, China, Sri Lanka, South Korea, Iran, Kenya and Ethiopia.

Section B : Financial Details of the Company

1	**Paid Up Capital (INR)**	1,140,025,640
2	**Total Turnover (INR)**	18,567,236,147
3	**Total Profit after Taxes (INR)**	1,885,017,920
4	**Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%):**	2.74%
5	**List of activities in which expenditure in 4 above has been incurred**	a) Health and Nutrition b) Primary Education c) Skill Development and Sustainable Livelihood d) Holistic development of underprivileged communities e) Swachh Bharat Abhiyan

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?

   Yes, Balmer Lawrie has two subsidiaries namely:

   a. Balmer Lawrie (UK) Ltd. (BLUK)

   b. Visakhapatnam Port Logistics Park Limited (VPLPL)

   Apart from these, Balmer Lawrie has following five joint ventures:

   a. Balmer Lawrie (UAE) LLC (BLUAE)

   b. AVI-OIL India Private Limited (AVI-OIL)

   c. Balmer Lawrie - Van Leer Ltd. (BLVL)

   d. Transafe Services Limited (TSL)

   e. PT Balmer Lawrie Indonesia (PT BLI)

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Balmer Lawrie (UK) Ltd. currently performs no operation while the Visakhapatnam Port Logistics Park Limited is in the final stage of commissioning. However, VPLPL has mandated its suppliers and vendors to follow Balmer Lawrie's policy on prohibition of child labour, forced labour, discrimination, no drug or alcohol consumption policy, HSE & Sustainability policy and fraud prevention policy.

3. Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? [Less than 30%, 30 – 60% and More than 60%]

   The vendor selection process at Balmer Lawrie includes criteria on abstinence from child labour, forced labour, no drug and alcohol policy, health & safety compliance and non-discrimination among others. Adherence to these policies is mandatory for all contractors appointed by the Company. Furthermore, the Company aims to include all entities across the value chain in its BR initiatives. Currently, over 60% of its entities participate in the BR activities.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the Business Responsibility policy/ policies

Principle No.	Policy/Policies	Director(s) Responsible
Principle 1 (P1)	• The Code of Conduct for Board Members and Senior Management • Core Values • Fraud Prevention Policy • Whistle Blower Policy • Related Party Transactions Policy • Conduct Discipline & Review Rules for Executives and Officers • Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information • Code of Conduct to Regulate, Monitor and Report Trading by Designated Person and immediative Relative of Designated Persons • Policy on Blacklisting	• All Directors & Chief Vigilance Officer
Principle 2 (P2)	• HSE and Sustainability Policy	• Director (Manufacturing Businesses) • Director (Service Businesses) • Director (HR & Corporate Affairs)
Principle 3 (P3)	• Prevention of Sexual Harassment Policy • Recruitment rules for officers and supervisors • Executive career progression rules	• Director (HR & Corporate Affairs)
Principle 4 (P4)	• CSR and Sustainability Policy	• Director (HR & Corporate Affairs)
Principle 5 (P5)	• Prevention of Sexual Harassment Policy • Recruitment rules for officers and supervisors	• Director (HR & Corporate Affairs)
Principle 6 (P6)	• HSE and Sustainability Policy • CSR and Sustainability Policy	• Director (Manufacturing Businesses) • Director (Service Businesses) • Director (HR & Corporate Affairs)
Principle 7 (P7)	• Code of Conduct • Core Values	All Directors
Principle 8 (P8)	• CSR and Sustainability Policy	Director (HR & Corporate Affairs)
Principle 9 (P9)	• HSE and Sustainability Policy	• Director (Manufacturing Businesses) • Director (Service Businesses) • Director (HR & Corporate Affairs)

b) Details of the Business Responsibility Head

Particulars	Details
DIN Number (if applicable)	08053637
Name	Shri Ratna Sekhar Adika
Designation	Director (HR & CA)
Telephone number	033-22225400
e-mail id	adika.rs@balmerlawrie.com

2. Principle-wise (as per NVGs) BR Policy/Policies

(a) Details of Compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The link to view the policies online is: http://www.balmerlawrie.com/static/Codes_&_policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement its policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>1.</td><td>The Company has not understood the Principles</td><td rowspan="6" colspan="9">Not applicable</td></tr>
<tr><td>2.</td><td>The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles</td></tr>
<tr><td>3.</td><td>The Company does not have financial or manpower resources available for the task</td></tr>
<tr><td>4.</td><td>It is planned to be done within next 6 months</td></tr>
<tr><td>5.</td><td>It is planned to be done within the next 1 year</td></tr>
<tr><td>6.</td><td>Any other reason (please specify)</td></tr>
</table>

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Balmer Lawrie's BR activities are overseen by the CSR Committee which meets once in six months to assess the BR performance.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has been publishing the Business Responsibility Report and Sustainability Report since FY 2016-17. These reports are published on an annual basis and can be accessed through the following links:

Sustainability Report: http://balmerlawrie.com/static/sustainability_report

Business Responsibility Report: http://www.balmerlawrie.com/pages/annualreport

Section E : Principle wise Performance

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Balmer Lawrie has developed a Code of Conduct that is applicable to the Board Members of the Company and its Senior Management to ensure ethical and transparent processes in managing the affairs of the Company.The Code sets out a unified platform in order to uphold the following values:

- Personal and professional integrity, honesty and ethical conduct
- Equality, tolerance and respect for others
- Abstain from conflict of interest
- Compliance with all the applicable provisions of existing local, state, national and international laws
- Maintain confidentiality regarding business of the Company
- Protect assets and intellectual property rights of the Company

The Company promotes a culture of zero tolerance to fraudulent conduct. A Fraud Prevention Policy has been established for detection, reporting and prevention of fraud. This policy extends to all types of frauds – committed or suspected, and is applicable to whole-time Directors and other stakeholders such as vendors, suppliers, contractors, service providers, consultants or any other external agency or person having business relationship and is associated with the Company.

Balmer Lawrie's Whistle Blower Policy provides employees a framework to report to the management instances of unethical behaviour, actual or suspected fraud. This policy promotes responsible grievance redressal and protects employees who report serious irregularities within the Company. It is applicable to employees from Managerial, Executive, Supervisory and Unionized Employees categories. It also covers other category of employees (e.g. outsourced, contractual, temporary, trainees, retainers etc.) during their tenure of association with the Company.

2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During FY 2018-19, we have not received any complaints from stakeholders on ethics, transparency and accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   A. Arising global concern is the impact of emission of hazardous gases from automotive sectors on public health. To address this, many countries have placed suitable legislations like introduction of EURO/BS VI norms to promote and use bio-degradable/eco-friendly lubricants in automotive sectors to reduce the emission of such gases. India has decided to introduce BS VI from April 2020 and automotive industries and oil refiners are adopting methods to fulfil these requirements. In order to meet the BS VI norms, lubricant industries have an important role in developing suitable engine oils and transmission oils.Balmer Lawrie as a socially responsible business entity has targeted the automotive sector for development and introduction of complex esters of specific molecules for bio-degradable/eco-friendly engine oil which will lead to better fuel economy and reduce rate of emission. In addition to this, the Greases and Lubricants (G&L) SBU has developed and commercialized some unique vegetable oil based bio-degradable esters to formulate lubricants for steel, jute, automotive and heavy industries.

   B. A mandatory GPS vehicle tracking system has been introduced in the Container Freight Services(CFS) division to track the vehicles continuously. This has helped in defining the shortest route which has translated in fuel saving.

   C. SBU: Leather Chemical (LC) has implemented a vent gas system in the manufacture of fat liquor. This has led to the reduction in generation of liquid discharges to the Zero Liquid Discharge plant. Also, the raw materials used for the sulpho-chlorination process are screened completely for the detection of short chain chlorinated paraffins (SCCP) and medium chain chlorinated paraffins (MCCP) thus eliminating their formation during the process.

2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.

   (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

   (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Balmer Lawrie attempts to make positive contributions to the environment by developing sustainable products. These products use environmentally friendly raw materials and have a lower environmental footprint throughout their lifecycles. Some of the ventures undertaken by the Company are:

   A. Replacement of rooftop asbestos sheets with environment friendly pre-coated galvanized iron sheets for warehouse has helped in reducing the health hazard of using asbestos. It also has helped in reducing the consumption of electricity, as some of the sheets are transparent, thus enabling the use of natural light during daytime in the warehouse.

B. Installation of a sewage water treatment plant at CFS Mumbai has helped in recycling the water for day to day uses.

C. SBU: LC has reduced the procurement of two key raw materials viz. HLB 13 and Caustic Lye. This reduction has enabled the usage of alternate environmentally friendly materials like salt and soda ash. Conservation of water has also been achieved through the implementation of recycling of steam condensate recovery system at the LC plant.

D. The use of ester based products will significantly help in reducing the consumption of non- renewable mineral oils in the G&L business, thus contributing to the preservation of the environment.

E. Industrial Packaging (IP),Silvassa has installed a solvent extractor system which extracts fresh solvent from the flushed out solvent which is then re-used in the painting process. This reduces the generation of hazardous waste by reusing the fresh solvent.

F. There has also been a reduction in water consumption of up to 70% by treating and reusing process water by installing a zero liquid discharge unit at IP, Vadodara.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.

   Yes, BL has procedures for sustainable sourcing. An effective system for vendor registration and vendor management has been institutionalized. To maintain quality and transparency in the supply chain, e-procurement and e-payment services have been set up. The vendor selection process also lays emphasis on Health, Safety, Environment (HSE) and sustainable business practices. By propagating sustainability in sourcing operations, our Industrial Packaging plants at Asaoti, Silvassa and Navi Mumbai are now qualified as TfS (Together for Sustainability) units.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Yes, BL has taken measures to source goods from local and small producers to create a positive impact across the value chain. The largest share of manpower and service related contracts are issued to vendors employing people from local communities. Also, the vendors or suppliers situated within 50 km radius of the plants' location are issued contracts for items such as consumables, stationeries and contract services such as maintenance, labour, etc.

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste?

   Yes, BL recognizes the importance of recycling the waste generated from its operations. Proper waste collection, storage and disposal mechanisms have enabled the Company to effectively manage waste generated at all its operational sites. ETP sludge, empty Lithium and caustic bags, oil soaked cotton jute, used filter elements and other hazardous wastes are sold to authorized hazardous waste handlers. Contaminated packaging materials, plastic waste, iron scrap and pellets are sent to approved recyclers. All the G&L, IP, CFS units of BL have demarcated and constructed separate areas for storage of hazardous waste and non-hazardous waste in their plants.

Principle 3 : Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees

   BL has a total of 1069 employees as on March 31, 2019.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis

   BL has 234 employees on temporary/contractual/casual basis as on March 31, 2019.

3. Please indicate the number of permanent women employees

   BL has 90 permanent women employees as on March 31, 2019.

4. Please indicate the number of permanent employees with disabilities

   BL has 13 permanent employees with disabilities as on March 31, 2019.

5. Do you have an employee association that is recognized by management?

   Yes, BL has six trade unions, one non-unionized supervisors association and one executive association which allows the employees to express their opinions through their representatives.

6. What percentage of your permanent employees are members of this recognized employee association?

   100% of BL's unionized employees are members of recognized trade unions & non-unionized supervisors are members of the supervisor association. About 70% of executives are members of the executive association.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year.

   BL strives to provide employees a work environment that supports their wellbeing as well as overall growth. The Company's Code of Conduct for Board Members and Senior Management and the Conduct Discipline & Review Rules for Executives & Officers provide a framework for prevention and redressal of complaints related to sexual harassment. BL has also established an Internal Complaints Committee in four regions of the country under the Sexual Harrassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

   BL does not employ individuals under 18 years of age, directly or through any contractor in any of its business verticals. To support this, age verification of all candidates for employment is done during the recruitment stage. Moreover, the Company does not engage or procure any products/services from entities that employ child labour.

Category	No of complaints received during the Financial Year	No of complaints pending at the end of this Financial Year
Child Labour/Forced labour/ Involuntary Labour	Nil	Nil
Sexual Harassment	One	Nil
Discriminatory Employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   BL understands that learning is one of the most important elements of employee development and undertakes several initiatives to upskill them to enhance their competency in changing times. Various types of trainings are imparted to the employees such as working proficiency, international markets, company policies, sustainability, human rights, health & safety and career development. During the reporting period, a total of 1,120 training mandays has been imparted to permanent employees.

Employee category	**% Employees that were given safety training**	**% Employees that were given skill up gradation training**
Permanent Employees	42.9%	32.8%
Casual/ Temporary/ Contractual Employees	90.8%	16.1%
Permanent Women Employees	12.2%	42.2%
Employees with Disabilities	23.0%	15.3%

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No

   Yes, BL has mapped its internal and external stakeholders as part of developing its sustainability report. Some of its stakeholders demonstrate the Company's core values by implementing processes which form a part of BL's journey in becoming a sustainable organisation.

   The internal and external stakeholders of BL are listed below:

   Internal

   - Employees

   External

   - Customers
   - Suppliers
   - Government of India
   - Local Communities

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders

   Yes, BL has identified disadvantaged, vulnerable and marginalized groups such as women, children, physically challenged persons and elderly people. Our CSR & Sustainability Policy provides guidance for the upliftment of such groups through targeted need based initiatives.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   BL cares for the vulnerable stakeholders and has undertaken the following initiatives to aid their wellbeing:

   - Barrier free, accessible work stations and other infrastructural modifications such as audio system inside elevators, ramps, and hand rails at staircases across various locations for differently abled personnel working within the organisation.
   - Sponsored the education of children at the Indian Institute of Cerebral Palsy.
   - Provision of mobile health van service for senior citizens.

   BL is involved in making meaningful engagement with its stakeholders to foster strong relationships. This is achieved through the CSR initiatives that provide assistance to communities residing around our manufacturing units and who could be affected by our activities.

Principle 5 : Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   We are committed to protect human rights of our employees and extend this commitment to all our businesses. The BL conduct of discipline & review rules for executives & officers incorporates provisions on human rights that is applicable to all officers including officers on probation and trainee officers. BL ensures that neither the Company nor any of its business partners indulge in any human rights violation or are complicit in any human rights abuse in any manner. BL respects the dignity of labour and takes efforts in ensuring freedom of association and collective bargaining. We have established committees to ensure that our employees work in an atmosphere free from any form of physical or psychological threat, abuse or sexual harassment. We also pay wages above the minimum levels and at times best in the industry/ region that we operate in. BL follows conventions adopted by the International Labour Organisation in all matters with respect to labour and is compliant with all regulatory provisions governing the employment in the organisation. We accord high priority to employee health & safety and have established an integrated Health & Safety Management System across the organization. As a testimony to our safety systems, we achieved zero LTI (Lost Time Injury) in the FY 2018-19.

2. How many stakeholder complaints have been received in the past Financial Year on breach of human rights and what percent was satisfactorily resolved by the management?

There have been no stakeholder complaints concerning violation of human rights in the reporting period.

Principle 6 : Business should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others.

   BL is committed to protection and restoration of the environment while managing our business. We strive to ensure that our leadership is committed to complying with the highest standards of environment management systems. Our HSE & Sustainability Policy provides a guidance for safety in operations, preserving ecological balance, providing a HSE work ambience and economic development of communities associated with the Company. This policy extends to our contractors and suppliers which ensures our commitment to the environment and society. In accordance to this, the joint ventures of BL have also developed its own HSE policy.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   Yes, BL understands the impacts of climate change and global environment challenges. Such challenges are not only faced by communities but can also affect the Company's long-term growth. The initiatives undertaken for the protection of the environment are:

   - Development of Bio-degradable and eco-friendly complex esters.
   - Decomposition of organic cargo in an environment friendly manner in association with the Bhabha Atomic Research Centre (BARC) at CFS Mumbai.
   - Plantation of 150 saplings on various significant occasions in the plant premises by SBU: Leather Chemicals throughout the year.
   - Distribution of free dustbins (in two categories – namely bio degradable and non-biodegradable) to socially backward areas in and around Chennai.
   - Installation of steam condensate recycling system at the Leather Chemicals plant in Chennai resulting in reduction of 20 KLD water usage.
   - Recycling of process water at IP Chittoor, IP Asaoti, CFS Navi Mumbai thereby reducing water consumption in various processes.

   For further details, kindly visit http://balmerlawrie.com/static/health,_safety_&_environment

3. Does the Company identify and assess potential environmental risks? Y/N

   Yes, BL identifies the environment risks that can impact its operations through environmental impact assessments. As all the plants and major establishments of the Company are ISO 14001 certified, an aspect-impact assessment including the identification of potential environmental risks forms a part of the certification process.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The Company gives highest priority to protect the environment and has taken up several initiatives for offsetting its GHG emissions. During the reporting Financial Year, BL does not have any project registered as a Clean Development Mechanism (CDM) project.

5. Has the Company undertaken any other initiative on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.

   Yes, BL has undertaken a number of initiatives across its SBUs for adopting new technology and moving towards energy efficiency. Some of which are listed below:

   - Mercury lamps are being phased out and replaced with LED lights in all the CFSs

- 337 LED bulbs fixed across the manufacturing units of G&L business
- Installation of scrubber equipment has reduced harmful emissions from the leather chemicals unit. There has also been an increase in energy efficiency with the installation of harmonic system and the introduction of liquid wax resulting in a substantial portion of heat energy being saved.
- Replacement of mercury lamps with LED lamps at IP Asaoti, IP Taloja, IP Navi Mumbai and IP Silvassa.
- Use of LPG fired oven over conventional HSD fired oven at IP Kolkata.

The Company has installed solar plants with a total capacity of 493 kWp in four different sites at Asaoti, Navi Mumbai, Chennai and Rai. Of this, 33 kWp solar power plant has been commissioned in the current Financial Year at TCW Rai. This has helped the Company to offset 750 tons of carbon dioxide per year from its manufacturing and cold chain operations.

As a founding member of the United Nations Global Compact, BL remains committed to further the principles enumerated under the Global Compact programme. The details of various initiatives taken in this regard can be found in the Communication of Progress (CoP) uploaded on the Company's website (www.balmerlawrie.com).

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?

Yes, the emissions/ waste generated by the Company for Financial Year 2018-19 are within permissible limits prescribed by CPCB/SPCB(s). BL takes efforts to reduce the amount of waste generated from its operations. The Company gives highest priority to protect the environment. Sound disposal mechanisms that are legally compliant are used for storage, collection and disposal of hazardous wastes. Few of the waste management initiatives undertaken by BL are stated below:

- G&L Silvassa and IP Taloja are utilizing a floor cleaning machine that reduces the use of contaminated cotton waste which is considered as hazardous waste.
- G&L Kolkata, CFS Navi Mumbai, IP Kolkata, IP Chittoor have demarcated and constructed separate areas for storage of hazardous waste and non-hazardous waste in their plants.
- BL Manali complex is declared as Plastic Free Zone and use of any kind of plastic bags, cup etc. inside its premises is abandoned.
- CFS Kolkata started using paper cups and plates instead of plastic ones to reduce plastic usage inside the establishment.
- IP Chittoor, IP Asaoti, CFS Navi Mumbai recycle the process water thereby reducing water consumption in various processes.

7. Number of show cause or legal notices received from CPCB or SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There is no pending show cause or legal notice received from CPCB or SPCB as on 31st March 2019.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, BL is aware of its responsibilities towards influencing public and regulatory policy and is a member of the following associations:

- Confederation of Indian Industry
- The Bengal Chamber of Commerce and Industry
- Standing Conference of Public Enterprises
- Founder member of United Nations Global Compact
- Employees Federation of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes, BL through these memberships, advocates the advancement of 'Sustainable Business Practices'. In association with the CII, the Company promotes improvement of health and safety standards in MSMEs and encourages road safety in major cities

Principle 8 : Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, BL has specified programmes in pursuit of the policy related to Principle 8.

   The Company understands its responsibility towards the communities in which it operates. BL is committed to the upliftment of the disadvantaged and marginalized sections of the communities. A number of initiatives have been undertaken for the development of these sections.

   The Company's CSR Policy highlights the guiding principles for planning, implementation and monitoring of its CSR activities. Balmer Lawrie's CSR initiatives operate under two Flagship Programs namely Balmer Lawrie Initiative for Self Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. The focus areas of the Company's CSR programmes include the following:

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/Government structures/any other organization?

   The CSR committee at BL monitors the implementation and the effectiveness of the CSR activities. The initiatives are mostly implemented in partnership with a local authority or NGOs such as:

   - Indian Institute of Cerebral Palsy (IICP)
   - SOS Children's Village of India
   - Ekal Vidyalayas,One Teacher Schools (OTS) by Friends of Tribal society
   - Pragati Sangha of Dara in West Bengal
   - Rotary Club of Panvel
   - SDI- Bhubaneswar, Vishakhapatnam, Rae Bareilly, Kochi, Guwahati and Ahmedabad
   - Helpage India
   - Lions Club
   - Kolkata Kinjal
   - Mentaid

3. Have you done any impact assessment of your initiative?

   Yes, impact assessments of CSR initiatives are undertaken by the Company. BL engages with Tata Institute of Social Science, Mumbai for assessing the impact of its CSR projects. This provides feedback on the beneficiaries, shortcomings and room for improvement of the programme. During FY 2018-19, the evaluation of the CSR initiatives resulted in a positive impact on targeted beneficiaries.

4. What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken

A total sum of ₹ 516.23 Lakh was spent during the FY 2018-19, towards various CSR activities undertaken in line with the key focus areas. Following is the breakup of the expenditure:

Project / activities	Sector	Expenditure incurred (₹ in Lakh)	Implementing Agency
Sponsoring of 02 classes of Indian Institute of Cerebral Palsy (IICP) for the children suffering from Cerebral Palsy	Education	18.50	Indian Institute of Cerebral Palsy (IICP)
Sponsoring of 02 family homes at SOS Children's Village of India		19.20	SOS Children's Village of India
Ekal Vidyalayas, One Teacher Schools (OTS) for providing education at the doorsteps of the tribal populace		10.00	Friends of Tribal society
Financial support for construction of rooms for mentally handicapped Children and old age homes		10.00	Mentaid / Kolkata Kinjal
Maintenance cost for School Toilets constructed under "Swachh Vidyalayas" during the year (2015-2016)	Swachh Bharat Abhiyan	15.41	Pragati Sangha of Dara/Balmer Lawrie
Swachhata related activities		126.09	Pragati Sangha of Dara/Balmer Lawrie
Construction of Community Toilet		22.00	Rotary Club of Panvel
Skill Development Institutes	Skill Development	225.00	SDI-Odisha, Visakhapatnam, Rae Bareilly,Kochi,Guwahati and Ahmedabad
Mobile Health Van for the old age	Health	50.24	Helpage India
Awareness camp for cancer patients		2.29	Ramakrishna Mission Sarada Pith
Miscellaneous (Impact study, training etc.)		17.50	Balmer Lawrie
Total CSR expenditure		**516.23**	

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, BL undertakes measures in order to ensure that the community development initiatives are adopted successfully by the community. The need for identifying and implementing initiatives is crucial for achieving the CSR objectives of BL. The projects implemented are based on needs of the community and are conducted in partnership with local authorities or an NGO. Active participation of local communities in the planning stages of the programme creates a sense of responsibility & commitment among them resulting in successful adoption of the initiatives. Additionally, BL regularly engages with the local community to effect a behavioural change for the adoption of the projects.

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year?

   Following are the complaints received and resolved across strategic business units for FY 2018-19.

SBU	Complaints received	Complaints resolved
Industrial Packaging	212	173
Greases & Lubricants	20	20
Travel & Vacations	562	562
Leather Chemicals	26	26
Logistics	0	0

   Apart from Industrial packaging business unit, there are no pending consumer complaints as on 31st March 2019.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

   Yes, BL follows all mandatory laws & regulations related to product information and labelling. The Company provides information about product, usage instructions and precautions on product packaging.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year. If so, provide details thereof, in about 50 words or so.

   No case has been filed by any stakeholder against Balmer Lawrie, relating to unfair trade practices, irresponsible advertising or anti-competitive behavior in the last five years.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

   Yes, BL understands the importance of customers in its value chain that can significantly impact operational performance. The Industrial Packaging, Greases and Lubricants, Logistics Infrastructure (LI) and Leather Chemicals businesses carried out customer satisfaction surveys for its customers across India through online and offline procedures.The survey conducted is focused on parameters such as service quality, consistency, delivery commitment, complaint resolution and quality of technical services.

   - For the LI business, nearly all the customers surveyed provided their feedback and all of them rated BL between Good to Excellent on every parameter.
   - The survey results of the Eastern Region market indicated customer satisfaction to the extent of about 87%.
   - The G&L business unit obtained an overall customer satisfaction score of 71%.

   Areas of improvement are also identified through such surveys and action points are accordingly decided for continuous improvement.

Annexure-3

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
AS OF THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15492WB1924GOI004835
ii)	Registration Date	18-02-1924
iii)	Name of the Company	Balmer Lawrie & Co. Limited
iv)	Category / Sub-Category of the Company	Union Government Company
v)	Address of the Registered office and Contact details	21, Netaji Subhas Road, Kolkata-700001, WB, Phone-(033) 2222 5313/5329 E-mail: bhavsar.k@balmerlawrie.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Karvy Fintech Private Limited Apeejay House, Block “C”, 3rd Floor, 15, Park Street, Kolkata 700 016 Tel: 033 6628 5900 Karvy Selenium, Tower B, Plot No. 31-32, Financial District, Nanakramguda Serilingampally, Mandal Hyderabad–500032, Tel: 040-67161500 Toll free No. 1800 3454001 Email : einward.ris@karvy.com www.karvyfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company are given below:-

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Industrial Packaging (Steel Drums)	25129	35.26 %
2	Greases & Lubricating Oils	19201	21.13 %
3	Logistics Infrastructure & Services	51201/52243/52109	29.24 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the company	CIN/GLN/ Company no.	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Balmer Lawrie Investments Ltd. 21, Netaji Subhas Road, Kolkata-700001	L65999WB2001 GOI093759	Holding	61.80	2(46)

Sl. No.	Name and address of the company	CIN/GLN/ Company no.	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
2	Balmer Lawrie (UK) Ltd. Sterling House, 177-181 Farnham Road, Slough, Berkshire, SL1 4XP, UK	Company incorporated and Registered in England & Wales No. 2764967	Wholly Owned Foreign Subsidiary	100.00	2(87)
3	Visakhapatnam Port Logistics Park Limited 21, Netaji Subhas Road, Kolkata-700001	U63090WB2014 GOI202678	Subsidiary	60.00	2(87)
4	Balmer Lawrie (UAE) LLC. B 11b, Heavy Industrial Area, P.O. Box – 11818, Dubai, U.A.E.	Company incorporated and Registered in UAE	Associate	49.00	2(6)
5	Balmer Lawrie – Van Leer Ltd. D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Maharashtra – 400705	U99999MH1962 PLC012424	Associate	48.00	2(6)
6	Transafe Services Ltd. 21, Netaji Subhas Road, Kolkata-700001	U28992WB1990 PLC050028	Associate	50.00	2(6)
7	Avi-Oil India Private Ltd. 608, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi–110001	U23201DL1993 TC190652	Associate	25.00	2(6)
8	PT Balmer Lawrie Indonesia	Company incorporated and Registered in Indonesia	Associate	50.00	2(6)

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

i) Category-wise Share Holding:

Balmer Lawrie & Company Limited										
Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year - i.e. 1st April, 2018				No. of Shares held at the end of the year - i.e. 31st March, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00

Balmer Lawrie & Company Limited										
Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year - i.e. 1st April, 2018				No. of Shares held at the end of the year - i.e. 31st March, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[2]	**Foreign**									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds	7500	3898	11398	0.01	26	3798	3824	0.00	-0.01
(b)	Banks / Financial Institutions	85946	28556	114502	0.10	8786506	2632	8789138	7.71	7.61*
(c)	Central Government / State Government(s)	68582	52392	120974	0.11	0	28140	28140	0.02	-0.09
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	8681093	50	8681143	7.61	0	0	0	0.00	-7.61*
(f)	FIIs	2810627	0	2810627	2.47	1785668	0	1785668	1.57	-0.90
(g)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	**11653748**	**84896**	**11738644**	**10.30**	**10572200**	**34570**	**10606770**	**9.30**	**1.00**
[2]	**Non-Institutions**									
(a)	Bodies Corporate i) Indian ii) Overseas	74172320	55064	74227384	65.11	73998008	0	73998008	64.91	-0.20
(b)	**Individuals**									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	15906258	1363253	17269511	15.15	17204204	1263202	18467406	16.20	1.05

Balmer Lawrie & Company Limited										
Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year - i.e. 1st April, 2018				No. of Shares held at the end of the year - i.e. 31st 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	7947153	410998	8358151	7.33	8142397	449319	8591716	7.54	0.20
(c)	Others (Specify)									
	Clearing Members	275593	0	275593	0.24	68811	0	68811	0.06	-0.18
	IEPF	0	0	0	0.00	93284	0	93284	0.08	0.08
	NBFC	0	0	0	0.00	36326	0	36326	0.03	0.03
	Non Resident Indians	1053342	88	1053430	0.92	945436	88	945524	0.83	-0.09
	Non Resident (Non Repatriable)	978807	0	978807	0.86	1094625	0	1094625	0.96	0.10
	Trusts	101044	0	101044	0.09	100094	0	100094	0.09	0.00
	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	**100434517**	**1829403**	**102263920**	**89.70**	**101683185**	**1712609**	**103395794**	**90.70**	**1.00**
	Total Public Shareholding(B)=(B)(1)+(B)(2)	**112088265**	**1914299**	**114002564**	**100.00**	**112255385**	**1747179**	**114002564**	**100.00**	**0.00**
(C)	Shares held by custodian for GDRs and ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**112088265**	**1914299**	**114002564**	**100.00**	**112255385**	**1747179**	**114002564**	**100.00**	**0.00**

*The change in this percentage is due to change in categorization of shareholding of General Insurance Corporation of India, Life Insurance Corporation of India and National Insurance Company Ltd. as per the records from NSDL/ CDSL.

ii) Shareholding of Promoters :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2018			Shareholding at the end of the year i.e. 31st March, 2019			% 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.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL

iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2018		Cumulative Shareholding during the year, i.e. 31st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2018		Cumulative Shareholding during the year, i.e. 31st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / Bonus / sweat equity etc.)	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

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

Sl. No.	Name & type of transaction	Shareholding at the beginning of the year - i.e. 1st April, 2018		Transactions during the year		Cumulative shareholding at the end of the year - i.e. 31st March, 2019	
		No. of shares	% of total shares of the Company	Date of transaction	No. of shares	No. of shares	% of total shares of the Company
1.	**BALMER LAWRIE INVESTMENTS LIMITED**	70452900	61.80			70452900	61.80
	AT THE END OF THE YEAR					70452900	61.80
2.	**GENERAL INSURANCE CORPORATION OF INDIA**	2892718	2.54			2892718	2.54
	Transfer			23rd November 2018	(27146)	2865572	2.51
	Transfer			30th November 2018	(12229)	2853343	2.50
	AT THE END OF THE YEAR					2853343	2.50
3.	**THE NEW INDIA ASSURANCE COMPANY LIMITED**	2865335	2.51			2865335	2.51
	Transfer			13th July 2018	(20906)	2844429	2.50
	Transfer			5th October 2018	34949	2879378	2.53
	Transfer			12th October 2018	22523	2901901	2.55
	Transfer			19th October 2018	13150	2915051	2.56
	Transfer			26th October 2018	67361	2982412	2.62
	Transfer			2nd November 2018	39131	3021543	2.65
	AT THE END OF THE YEAR					3021543	2.65
4.	**NATIONAL INSURANCE COMPANY LTD**	1508032	1.32			1508032	1.32

Sl. No.	Name & type of transaction	Shareholding at the beginning of the year - i.e. 1st April, 2018		Transactions during the year		Cumulative shareholding at the end of the year - i.e. 31st March, 2019	
		No. of shares	% of total shares of the Company	Date of transaction	No. of shares	No. of shares	% of total shares of the Company
	AT THE END OF THE YEAR					1508032	1.32
5.	**INDIAN SYNTANS INVESTMENTS (P) LTD**	1424720	1.25			1424720	1.25
	AT THE END OF THE YEAR					1424720	1.25
6.	**LIFE INSURANCE CORPORATION OF INDIA**	1415008	1.24			1415008	1.24
	AT THE END OF THE YEAR					1415008	1.24
7.	**ISHWAR GREWAL**	830877	0.73			830877	0.73
	Transfer			26th October 2018	10000	840877	0.74
	AT THE END OF THE YEAR					840877	0.74
8.	**DIMENSIONAL EMERGING MARKETS VALUE FUND**	714850	0.63			714850	0.63
	Transfer			20th July 2018	(17340)	697510	0.61
	Transfer			3rd August 2018	(3759)	693751	0.61
	Transfer			10th August 2018	(9540)	684211	0.60
	Transfer			7th December 2018	(7141)	677070	0.59
	Transfer			22nd February 2019	4498	681568	0.60
	Transfer			15th March 2019	4511	686079	0.60
	Transfer			22nd March 2019	8266	694345	0.61
	AT THE END OF THE YEAR					694345	0.61
9.	**NIHAR NILEKANI**	643952	0.56			643952	0.56
	Transfer			22nd March 2019	100000	743952	0.65
	AT THE END OF THE YEAR					743952	0.65
10.	**SLG INTERNATIONAL OPPORTUNITIES, L.P**	589512	0.52			589512	0.52
	Transfer			10th August 2018	(62251)	527261	0.46
	Transfer			31st August 2018	(101671)	425590	0.37

Sl. No.	Name & type of transaction	Shareholding at the beginning of the year - i.e. 1st April, 2018		Transactions during the year		Cumulative shareholding at the end of the year - i.e. 31st March, 2019	
		No. of shares	% of total shares of the Company	Date of transaction	No. of shares	No. of shares	% of total shares of the Company
	Transfer			7th September 2018	(97947)	327643	0.29
	AT THE END OF THE YEAR					327643	0.29

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 114002564 Equity Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial / Personnel:

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2018		Cumulative Shareholding during the year i.e. 31st March, 2019	
		No. of shares	% of total shares of the Company	No. of shares held	% of total shares of the Company
1.	**SHRI PRABAL BASU**				
	At the beginning of the year	440	0.00	440	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer / Bonus / sweat equity etc) :	0	0	0	0
	At the End of the year (or on the date of separation, if separated during the year)	440	0.00	440	0.00

V. INDEBTEDNESS :

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

		Secured Loans excluding deposits (₹) (in Lakhs)	Unsecured Loans (₹) (in Lakhs)	Deposits (₹) (in Lakhs)	Total Indebtedness (₹) (in Lakhs)
Indebtedness at the beginning of the financial year					
i)	Principal Amount	1490.34	NIL	NIL	1490.34
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL

		Secured Loans excluding deposits (₹) (in Lakhs)	Unsecured Loans (₹) (in Lakhs)	Deposits (₹) (in Lakhs)	Total Indebtedness (₹) (in Lakhs)
Indebtedness at the beginning of the financial year					
	Total (i+ii+iii)	1490.34	NIL	NIL	1490.34
Change in Indebtedness during the financial year					
	▶ Addition	NIL	NIL	NIL	NIL
	▶ Reduction	123.08	NIL	NIL	123.08
Net Change		123.08	NIL	NIL	123.08
Indebtedness at the end of the financial year					
i)	Principal Amount	1367.26	NIL	NIL	1367.26
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
	Total (i+ii+iii)	1367.26	NIL	NIL	1367.26

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager					
		Shri Prabal Basu (01/04/18 - 31/03/19) (₹)	Shri D. Sothi Selvam (01/04/18 - 31/03/19) (₹)	Shri K Swaminathan (01/04/18 - 31/03/19) (₹)	Shri S S Khuntia (01/04/18 - 31/03/19) (₹)	Shri Ratna Sekhar Adika (01/04/18 - 31/03/19) (₹)	Total Amount (₹)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54,01,824	56,27,843	48,49,356	60,53,752	36,85,572	2,56,18,347
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	3,90,928	7,58,325	2,49,917	3,01,357	4,79,621	21,80,148
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–	–	–
2.	Stock Option	–	–	–	–	–	–

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager					
		Shri Prabal Basu (01/04/18 - 31/03/19) (₹)	Shri D. Sothi Selvam (01/04/18 - 31/03/19) (₹)	Shri K Swaminathan (01/04/18 - 31/03/19) (₹)	Shri S S Khuntia (01/04/18 - 31/03/19) (₹)	Shri Ratna Sekhar Adika (01/04/18 - 31/03/19) (₹)	Total Amount (₹)
3.	Sweat Equity	–	–	–	–	–	–
4.	Commission - as % of profit - others, specify…	–	–	–	–	–	–
5.	Others, please specify	–	–	–	–	–	–
	Total (A)	**57,92,752**	**63,86,168**	**50,99,273**	**63,55,109**	**41,65,193**	**2,77,98,495**
	Ceiling as per the Act	NA*	NA*	NA*	NA*	NA*	NA*

* as per exemptions to Government Companies vide Notification No. GSR 463(E) dated 5th June, 2015 as amended by Notification No. GSR 582(E) dated 13th June, 2017 and notification No. GSR 802(E) dated 23rd February 2018, the ceiling of maximum managerial remuneration as stated in Section 197 of the Companies Act, 2013 does not apply to the Company.

B. Remuneration to Other Directors: (In ₹)

Sl. no.	Particulars of Remuneration	Name of Director						
		Smt. Atreyee Borooah Thekedath	Shri Sunil Sachdeva	Shri Vikash Preetam	Shri Arun Tandon	Shri Vijay Sharma	Ms. Perin Devi Rao	Total Amount
1.	Independent Directors • Fee for attending Board/ Committee Meetings • Commission • Others, please specify	2,70,000 - -	90,000 - -	90,000 - -	1,00,000 - -	- - -	- - -	5,50,000 - -
2.	Total (1)	2,70,000	90,000	90,000	1,00,000	-	-	5,50,000
3.	Other Non-executive Directors • Fee for attending Board/ Committee Meetings • Commission • Others, please specify	-	-	-	-	-	-	-
4.	Total (2)	-	-	-	-	-	-	-
5.	Total (B)= (1+2)	2,70,000	90,000	90,000	1,00,000	-	-	5,50,000
	Total Managerial Remuneration							
	Overall ceiling as per the Act	NA*	NA*	NA*	NA*	NA*	NA*	NA*

*as per exemptions to Government Companies vide Notification No. GSR 463(E) dated 5 June 2015 as amended by Notification No. GSR 582(E) dated 13 June 2017 and notification No. GSR 802(E) dated 23 Feb 2018, the ceiling of maximum managerial remuneration as stated in Section 197 of the Companies Act, 2013 does not apply to the Company.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (In ₹)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO	Company Secretary	
		Shri Prabal Basu (01/04/2018 – 31/03/2019)	Shri S S Khuntia (01/04/2018 – 31/03/2019)	Ms. Kavita Bhavsar (01/04/2018 – 31/03/2019)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	For the year 2018-19 Shri Prabal Basu was the CEO. However, he did not receive any additional remuneration for acting as a CEO.	For the year 2018-19 Shri Khuntia was also the CFO. However, he did not receive any additional remuneration for acting as a CFO.	38,33,890	38,33,890
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			5,83,619	5,83,619
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961				
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission - as % of profit - others, specify	–	–	–	–
5.	Others, please specify	–	–	–	–
	Total			**44,17,509**	**44,17,509**

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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure-4

REPORT ON CORPORATE GOVERNANCE

[Forming part of the Board's Report for the year 2018-19]

The Company's philosophy on code / guidelines of Corporate Governance

Your Company is committed to maintain sound Corporate Governance practices aimed at increasing value for its stakeholders. The Corporate Governance philosophy of the Company is based on the following five pillars:

- High accountability to the stakeholders on the affairs of the Company.
- Absolute transparency in the reporting system and adherence to disclosure and compliances.
- High ethical standards in the conduct of the business with due compliance of laws and regulations.
- Enhancement of stakeholders' value on a consistent basis.
- Contributing to the enrichment of quality of life of the community through discharge of Corporate Social Responsibility and promotion of Sustainable Development.

Board of Directors ("the Board")

Composition

Article 7A of the Articles of Association of the Company stipulates that so long as it remains a Government company, the President of India shall have the right to appoint one or more Directors on the Board of the Company to hold office for such period and upon such terms and conditions as the President may from time to time decide.

As on 31st March 2019, the Board of the Company consisted of Eleven (11) Directors under the following categories:

- Five (5) were Functional / Executive / Whole-time Directors;
- Four (4) were Independent Directors which included one (1) Woman Independent Director and
- Two (2) Non-executive Government Nominee Directors which includes one (1) Government Nominee Woman Director.

As on 31st March, 2019, the Board did not have sufficient number of Independent Directors as required under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises (DPE). However, as on the date of signing of this Report the Company has sufficient number of Independent Directors in furtherance to the instructions of the Admisnistrative Ministry, viz, Ministry of Petroleum & Natural Gas (MoPNG), Government of India.

A brief profile of the Directors of the Company is set out as under:

Shri Prabal Basu (DIN 06414341)

Chairman & Managing Director

Shri Prabal Basu was appointed as a Whole-time Director and he assumed office as Additional Director under designation of Director (Finance) on 1st December, 2012 based on direction of the MoPNG. He was further appointed by the members at the 96th Annual General Meeting (AGM) held on 24th September, 2013. Subsequently, upon direction of the MoPNG, Shri Prabal Basu was appointed as Chairman & Managing Director (C&MD) of the Company with effect from 1st August, 2015. His appointment was further confirmed by the members at the 98th AGM held on 22nd September, 2015 and was reappointed at the 100th AGM held on 14th September, 2017. Shri Basu was entrusted additional charge of Director (Finance) for the period 1st November, 2015 till 27th May, 2016 due to vacancy created for the post of Director (Finance). Shri Basu was also entrusted upon the additional charge of Director (HR & CA) from 1st February 2018 till 30th April 2018 being period of vacancy created due to retirement of the erstwhile Director (HR & CA). In the ensuing AGM it is proposed to consider re-appointment of Shri Prabal Basu who retires by rotation and being eligible offers himself for re-appointment.

Shri Basu is a Bachelor of Commerce, a qualified Chartered Accountant (ACA), a qualified Company Secretary (ACS) and a qualified Cost & Management Accountant (ACMA). During the year 2015-16, he further completed one year Executive Program in General Management from the Sloan School of Management, MIT, USA. He has a working experience of 33 years during which he has developed expertise in the functional areas of Accounts & Finance, Taxation, Information Technology, ERP implementation and in various aspects of General Management.

Shri Basu holds 440 equity shares of the Company.

Shri D. Sothi Selvam (DIN 07038156)

Director (Manufacturing Businesses)

Shri D Sothi Selvam was appointed as a Whole-time Director and assumed office as Director (Manufacturing Businesses) of the Company on 2nd January 2015 based on direction of the MoPNG. He was further appointed by the members at the 98th AGM held on 22nd September, 2015 and was reappointed at the 101st AGM held on 12th September, 2018.

Shri Sothi Selvam, is a Senior Business Leader and highly experienced in the areas of Petroleum Fuels & Specialties, Petroleum & Synthetic Lubricants, Industrial Packaging, Leather Chemicals, Refinery & Oil Field Services and Engineering & Projects. He had served in Senior Management Positions with Indian Oil Corporation Ltd and Lanka IOC PLC before joining Balmer Lawrie & Co Ltd.

During 2006-2009, Shri Selvam had also served as Director in the Board of Ceylon Petroleum Storage Terminals, the largest organization for Petroleum Storage and Distribution in Sri Lanka.

Backed by a degree in Chemical Engineering & MBA in Marketing and with more than three decades of Global Corporate Experience cutting across Sales & Marketing, Brand Management, Operations Management, Project Execution, Business Development and Board level Strategic Management experience; he has exhibited strong acumen in the areas of Business & Growth Strategy, Turnaround strategy, Corporate Governance, Team Building, Operations & Service Excellence, Project Management, Competency Development and Organizational Restructuring.

Innovation, Out-off box approach and focus on sustainability of systems and processes had been at the core of all his change management initiatives, thus reshaping organizational competencies for achieving critical strategic objectives. As an adroit planner and keen analyst, he had not only been quick in identifying opportunities and formulating strategies and action driven plan to seize such opportunities but through his strong people engagement skills and leadership virtues, had been able to execute them successfully for the benefit of the organizations.

Apart from serving as a Whole Time Director in Balmer Lawrie & Co. Ltd, he also serves as Director on the Boards of Avi-Oil India Ltd., Balmer Lawrie - Van Leer Ltd, Balmer Lawrie (UAE) Dubai and as commissioner in PT Balmer Lawrie, Indonesia.

Shri Kalyan Swaminathan (DIN 06912345)

Director (Service Businesses)

Shri Kalyan Swaminathan was appointed as an Additional Director and he assumed office as Director (Service Businesses) of the Company on 1st August, 2015 based on the direction of the MoPNG. He was further appointed by the members at the 98th AGM of the Company held on 22nd September, 2015 and was reappointed at the 100th AGM held on 14th September,

2017. In the ensuing AGM it is proposed to consider re-appointment of Shri Kalyan Swaminathan who retires by rotation and being eligible offers himself for re-appointment.

Shri Swaminathan is a Bachelor of Commerce, a qualified Cost & Management Accountant (ACMA) and a qualified Company Secretary (ACS). He has a working experience of 36 years during which he has developed expertise in the functional areas of accounts, finance, ERP Implementation, logistics infrastructure, logistics services, ticketing and vacations businesses besides general management.

Shri Shyam Sundar Khuntia (DIN 07475677)

Director (Finance) & Chief Financial Officer

Shri Shyam Sundar Khuntia was appointed as an Additional Director on 28th March, 2016 by the Board of Directors and he assumed the office as Director (Finance) based on the direction of the MoPNG. Further, he was also appointed as the Chief Financial Officer of the Company with effect from 31st March, 2016. Shri Khuntia was further appointed by the members as Director (Finance) at the 99th AGM of the Company held on 22nd September, 2016 and he was further reappointed at the 101st AGM held on 12th September, 2018.

Shri Khuntia is a qualified Chartered Accountant and Cost Accountant with over 34 years of experience mainly in upstream oil and gas industries. Prior to joining Balmer Lawrie, he was associated with ONGC Videsh Ltd. and OIL India Ltd. He was instrumental in successfully developing the accounting system of ONGC Videsh and the Accounting & MIS processes for overseas joint ventures and have won several accolades for his contributions.

Shri Khuntia has hands on experience in Treasury operation with fund raising from international market & Taxation Operations and has rich experience in areas of Risk management, Sustainability and HSE Processes. Further, he has developed expertise in developing accounting, budgeting and MIS systems for organizations.

Shri Ratna Sekhar Adika (DIN 08053637)

Director (Human Resource & Corporate Affairs)

Shri Ratna Sekhar Adika was appointed as an Additional Director of the Company on 29th May, 2018 by the Board of Directors and he assumed office as Director (Human Resource & Corporate Affairs) based on the direction of the MoPNG. He was further appointed by the members as Director (Human Resource and Corporate Affairs) at the 101st AGM of the Company held on 12th September, 2018.

Shri Ratna Sekhar is a Master of Social Work with specialization in Personnel Management, Industrial Relations & Labour Welfare from Osmania University.

Shri Ratna Sekhar started his career with M/s.Vijai Electricals Limited, Hyderabad as Management Trainee. He later joined M/s. Bharat Electronics Limited as Personnel Officer and worked there for 17 years. Thereafter, he took up assignments with M/s. Federal Mogul Goetze Limited, GMR Hyderabad International Airport Limited, M/s.Bilfinger Berger Constructions Private Limited, M/s. Ramky Group and M/s.Tata Projects.

Shri Ratna Sekhar has over 31 years of experience in multicultural organizations in Human Resources Management, Industrial Relations and Administration. He also has hands on experience in Manpower Planning, Sourcing, Talent Acquisition, Talent Management, Learning and Development initiatives, 360 degree leadership development programme, Performance Management System, Performance counselling, Career Planning, Employee motivation programs, Employee welfare and loyalty programmes and trade union negotiations. He is a keen strategist with the flair for designing and implementing innovative strategies and HR interventions in line with industry standards.

Ms. Atreyee Borooah Thekedath (DIN 00795366)

Independent Director

Ms. Atreyee Borooah Thekedath was appointed as an additional director in the designation of Independent Director on the Board of the Company on 13th February, 2017 based on the direction received from the MoPNG. She was further appointed by the members as an Independent Director of the Company for 3 years at the 100th AGM of the Company held on 14th September 2017.

Ms. Thekedath holds a Bachelor's degree in Computer Engineering from Manipal Institute of Technology, Karnataka, India and a Master's Degree in Business Administration (MBA) from Central Queensland University, Australia.

Ms. Thekedath has a working experience of about 21 years. She is a successful entrepreneur in the IT sector and is the founder of Web.Com (India) Pvt. Ltd., one of North East India's leading software development companies catering to a vast cross section of clientele ranging from large PSUs, to Government departments, to private companies in North East India and abroad. She is also involved in the running of her family's Tea Estates in Assam. Ms. Thekedath is an alumna of the prestigious Goldman Sachs 10,000 Women Program for Women Entrepreneurs and the coveted Fortune / U.S. State Department Global Women's Mentoring Partnership Program.

Shri Sunil Sachdeva (DIN 00754633)

Independent Director

Shri Sunil Sachdeva was appointed as an additional director in the designation of Independent Director on the Board of the Company on 4th April, 2018 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for the period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Sachdeva is a Bachelor of Commerce(Hons) and is also a member of the Institute of Cost Accountants of India. He holds a degree of MBA from BIMTech and is a member of All India Management Association.

Shri Sachdeva has a working experience of over 27 years wherein he acquired functional expertise in Grease, Lubricants and Travel.

Shri Sachdeva is also a Director of Oriental Diesels and Engineering Company Pvt. Ltd. He has one year job experience in Global Information and Distribution Corporation, Kuwait. Shri Sachdeva also owned a business under the name and style of Oriental Engg. Co., Varanasi which was distributor of MICO/Bosch for eastern U.P.

Shri Vikash Preetam (DIN 00910261)

Independent Director

Shri Vikash Preetam was appointed as an additional director in the designation of Independent Director on the Board of the Company on 28th July, 2018 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Preetam holds a PGDM degree from Asia Pacific Institute of Management, New Delhi. He has also completed LL.B from University of Delhi.

Shri Preetam is also a designated partner of P&B Associates, Barrister's & Advocates LLP. He is presently working with Suri & Co. which is a corporate law firm in Delhi. Shri Preetam is a Member of Delhi Bar Council and also a member of Supreme Court Bar Association. He takes keen interest in writing newspaper articles. He is a member of India International Center, Lodhi Estate, New Delhi and also a member of National Sports Club of India.

Shri Arun Tandon (DIN 08210607)

Independent Director

Shri Arun Tandon had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 12th September, 2018, post AGM, based on the direction received from the MoPNG. Shri Tandon holds such position till the 102nd AGM of the Company. Accordingly, in the ensuing AGM, it is proposed to appoint Shri Arun Tandon as an Independent Director of the Company for a period of three years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Tandon has done B.A and M.A. in Political Science from Allahabad University and also holds a M.Phil. degree in International Relations from Jawahar Lal Nehru University, New Delhi. He was awarded fellowship of Indian Council of Social Sciences Research (ICSSR) during 1977-79 for research topic 'India's Cultural Diplomacy' for his M.Phil. During the year 2011, he attended, an Executive Programme on Public Sector Leadership and Management in Lee Kwan Yew School of Public Policy in Singapore, designed for IRS officers.

Shri Tandon had joined Indian Revenue Service (IC&CES) in 1979. He has an experience of 34 years in Strategy and execution of matters of Customs, Central Excise, Service Tax and Narcotics. Further, he has an experience of four years in Revenue Intelligence. He also worked as an Assistant Commissioner in Gujarat and Mumbai Airport. In 1991, he was promoted as Joint Commissioner and worked in Coimbatore, Hyderabad and Nagpur. He was further elevated in 2002 as Commissioner and has worked as field Commissioner in Custom, Excise and Service Tax in Nashik, Raigarh and Chennai.

Shri Tandon has also worked in Customs as Commissioner Valuation (India) in Directorate of Valuation (2007-08) headquartered in Mumbai. He has headed Directorate of Revenue Intelligence (DRI) Mumbai (May 2005 to April 2007) and Chennai (May 2008 to May 2010). He has also represented Indian Customs in Customs related Conferences in Hongkong and Nairobi. He has been involved in capacity building of IRS (Probationers).

In 2012, he was promoted as Chief Commissioner Central Excise and Service Tax at Mumbai. He retired from the services in April, 2013.

After retirement he was appointed as 'Special Counsel' to represent Departmental cases in the Customs Excise and Service Tax Tribunal (CESTAT) in Western India.

Shri Vijay Sharma (DIN 08045837)

Government Nominee Director

Shri Vijay Sharma was appointed as the Government Nominee Director on the Board of the Company on 15th January, 2018 based on direction received from the MoPNG. He was further appointed as the Government Nominee Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period of 3 years with effect from 24th November 2017 (being the date of his nomination by the Administrative Ministry) on co-terminus basis or until further orders from the Administrative Ministry, whichever is earlier.

Shri Sharma holds a Master's degree in History.

Shri Sharma has a working experience of about 17 years wherein he developed expertise in functional areas of - Administration, Refinery, Excise and Vigilance. Shri Sharma is currently the Director (GP) in the GP Division of the MoPNG, the Administrative Ministry of the Company.

Ms. Perin Devi Rao (DIN 07145051)

Government Nominee Director

Ms. Perin Devi Rao was appointed as the Government Nominee Director on the Board of the Company on 28th July, 2018 based on direction received from the MoPNG. She was further appointed as the Government Nominee Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period 3 years with effect from 26th July, 2018 on co-terminus basis or until further orders of the Administrative Ministry, whichever is earlier.

Ms. Perin Devi Rao is Director (IFD) in Finance Division of MoPNG – the administrative ministry of the Company.

The composition of Board of Directors as on 31st March, 2019 and the number of other Boards or Committees in which a Director was a member/ chairperson are enumerated as follows:

Name, designation and category of the Director	Total No. of Directorship in other Companies	Names of the other Listed entities in which the Director is a Director and the category of Directorship	Number of memberships in Committee(s) of other Companies	Number of posts of Chairperson in Committee of other Companies
a	b	c	d	e
Shri Prabal Basu – Chairman & Managing Director, Executive Director	1	Nil	4	2
Shri D. Sothi Selvam – Director (Manufacturing Businesses), Executive Director	2	Nil	3	0
Shri Kalyan Swaminathan – Director (Service Businesses), Executive Director	1	Nil	0	0
Shri Shyam Sundar Khuntia – Director (Finance) and Chief Financial Officer, Executive Director	4	**Balmer Lawrie Investments Limited** – Non-executive Director	7	1
Shri Ratna Sekhar Adika – Director (Human Resource and Corporate Affairs), Executive Director	0	Nil	0	0
Ms Atreyee Borooah Thekedath – Independent Director, Non Executive Director	4	Nil	0	0
Shri Sunil Sachdeva – Independent Director, Non Executive Director	1	Nil	0	0
Shri Vikash Preetam – Independent Director, Non-Executive Director	0	Nil	0	0
Shri Arun Tandon – Independent Director, Non-Executive Director	0	Nil	0	0
Shri Vijay Sharma – Government Nominee Director, Non-Executive Director	0	Nil	0	0
Ms. Perin Devi Rao – Government Nominee Director, Non-Executive Director	3	1. **Balmer Lawrie Investments Limited –** Government Nominee Director 2. **Chennai Petroleum Corporation Limited –** Government Nominee Director	9	1

Brief profile and other details of the Directors of the Company retiring by rotation and Directors to be appointed at the AGM.

The brief profile and other details of the Directors of the Company retiring by rotation and Directors to be appointed at the AGM is attached to the Notice of the Annual General Meeting.

Attendance at the Board Meetings and at the last Annual General Meeting (AGM)

The Board of Directors met eight (8) times during the FY 2018-19. Attendance of the Directors at the Board meetings and last AGM held during the FY 2018-19 is shown below:

Board Meetings held during 2018-19									Attendance at last AGM held on
Name of the Director	29th May, 2018	7th July, 2018	28th July, 2018	12th September, 2018	12th November, 2018	7th January, 2019	7th February, 2019	29th March, 2019	12th September, 2018
Shri Prabal Basu	√	√	√	√	√	√	√	√	√
Shri D Sothi Selvam	√	√	√	√	√	√	X	√	√
Shri K Swaminathan	√	√	√	√	√	√	√	√	√
Shri Shyam Sundar Khuntia	√	X	√	√	√	√	√	√	√
Shri Ratna Sekhar Adika	√	√	√	√	√	√	√	√	√
Ms. Atreyee Borooah Thekedath	√	√	√	√	√	√	√	√	√
Shri Sunil Sachdeva	√	√	√	√	√	√	√	√	√
Shri Vijay Sharma	√	√	√	X	√	√	√	√	X
Ms. Perin Devi Rao@	NA	NA	NA	X	√	√	√	X	X
Shri Vikash Preetam#	NA	NA	NA	√	√	X	√	√	√
Shri Arun Tandon*	NA	NA	NA	√	√	√	√	√	NA

Notes:

@ Ms. Perin Devi Rao has been appointed as Government Nominee Director on 28th July, 2018.

Shri Vikash Preetam has been appointed as an Independent Director on 28th July, 2018.

* Shri Arun Tandon has been appointed as an Independent Director on 12th September, 2018 post 101st AGM.

Disclosure of relationship between directors inter-se:

Directors do not have any relationship inter-se amongst them.

Number of shares and convertible instruments held by Non-executive Directors as on 31st March, 2019:

Name of Non-executive Director	Name of the Company in which the shares or convertible instrument is held	Number of shares and convertible instrument	Percentage of shares and convertible instruments
Ms. Atreyee Borooah Thekedath	Web.com (India) Pvt. Ltd.	**73750**	**50.00%**
	Eastern Tea Brokers Pvt. Ltd.	**32485**	**34.79%**
	Gauhati Land Development Co. Pvt. Ltd.	**8000**	**30.77%**
	Baruanagar Tea Estate Pvt. Ltd.	**4989**	**43.38%**
	Baruakhat Tea Co. Pvt. Ltd.	**363**	**24.20%**
Shri Sunil Sachdeva	Oriental Diesels and Engineering Company Pvt. Ltd.	**63170**	**85.88%**
Shri Vikash Preetam	-	-	-
Shri Arun Tandon	-	-	-
Shri Vijay Sharma	-	-	-
Ms. Perin Devi Rao	-	-	-

Web link where details of familiarization programmes imparted to Independent Director is disclosed.

http://www.balmerlawrie.com/app/webroot/uploads/Familiarization_programme_of_Atreyee_Borooah.pdf

http://www.balmerlawrie.com/app/webroot/uploads/Familarization_Programme_of_Sunil_Sachdeva.pdf

http://www.balmerlawrie.com/app/webroot/uploads/Familiarization_programme_of_Shri_Vikash_Preetam-_independent_director.pdf

http://www.balmerlawrie.com/app/webroot/uploads/Familiarization_programme_of_Arun_Tandon.pdf

A chart or a matrix setting out the skills/expertise/competence of the Board of Directors

Balmer Lawrie & Co. Ltd. being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) vests with the Government of India. The Independent Directors are selected by Government of India from a mix of eminent personalities having requisite expertise and experience in diverse fields. In view thereof, the Board of Directors are not in a position to identify list of core skills / expertise/competencies required by a Director in the context of company's business, as required under SEBI (LODR) Regulation, 2015 (As amended).

Confirmation regarding Independent Director(s)

As per Section 149(6) read with exemption granted to Government Companies vide Notification No. GSR 463(E) dated 5th June, 2015, the Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise and experience. As already stated, all the Directors including Independent Directors are appointed by the Administrative Ministry. Hence, the Board of Director is not in a position to give such confirmation as required under para C 2(i) of Schedule V to SEBI (LODR) Regulations, 2015 (as amended).

Reasons of resignation of Independent Director(s)

During the year, none of the Independent Director(s) resigned before the expiry of his/her tenure.

COMMITTEES OF THE BOARD

Audit Committee

Terms of Reference

The terms of reference of the Audit Committee was revised with effect from 1st April, 2019 to align it with the Companies Act, 2013, ("the Act"), SEBI (LODR) Regulations, 2015 (as amended) and the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010. The terms of reference of the Committee are as follows:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgement by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with Listing and other legal requirements relating to financial statements;
- Disclosure of any Related Party Transactions;
- Modified opinion(s)/ qualifications in the draft audit report;

v. Examination of the financial statement and the auditor's report thereon;

vi. Review with the management, the quarterly financial statements before submission to the Board for approval.

vii. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps, in this matter;

viii. Monitoring the end-use of funds raised through public offers and related matters;

ix. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

x. Approval or any subsequent modification of transactions of the Company with Related Parties;

xi. Scrutiny of inter-corporate loans and investments;

xii. Valuation of undertakings or assets of the Company, wherever it is necessary;

xiii. Evaluation of internal financial controls and risk management systems;

xiv. Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control systems;

xv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, report structure coverage and frequency of internal audit;

xvi. Discussion with internal auditors and/or auditors any significant findings and follow-up thereon;

xvii. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

xviii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern and to review the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources;

xix. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

xx. To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;

xxi. To review the functioning of the whistle blower mechanism;

xxii. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

xxiii. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision (i.e., 1st April, 2019)

xxiv. The Audit Committee shall mandatorily review the following information:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by management;
- Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  b) Annual Statement of funds utilized for purposes other than those stated in the offer document /prospectus/notice in terms of Regulation 32(7).

xxv. To review the follow up action on the audit observations of the C&AG audit;

xxvi. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament;

xxvii. Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors;

xxviii. Consider and review the following with the independent auditor and the management:

- The adequacy of internal controls including computerized information system controls and security; and
- Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

xxix. Consider and review the following with the management, internal auditor and the independent auditor:

- Significant findings during the year, including the status of previous audit recommendations.
- Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

xxx. Investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board or pertaining to any activity within its terms of reference and to this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary, seek information from any employee in the matter and secure attendance of outsiders with relevant expertise, if considered necessary;

xxxi. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition

During the FY 2018-19, the Audit Committee was reconstituted with effect from 4th May, 2018 and thereafter on 26th October, 2018. The Audit Committee, as on 31st March, 2019, consisted of five (5) members out of which one was Whole-time Director and four were Independent Directors. Ms. Atreyee Borooah Thekedath, Independent Director is the Chairperson of the Committee. The composition of the Committee is as follows:

i. Ms. Atreyee Borooah Thekedath, Independent Director-Chairperson

ii. Shri Sunil Sachdeva, Independent Director-Member

iii. Shri Vikash Preetam, Independent Director-Member

iv. Shri Arun Tandon, Independent Director-Member

v. Shri Shyam Sundar Khuntia, Director (Finance) and CFO-Member

All the members of the Audit Committee are financially literate and some members possess accounting/ financial management expertise also. The Company Secretary acts as the Secretary to this Committee.

The Audit Committee met 8 (eight) times during the FY 2018-19. The details regarding the attendance of the Members at the meetings are enumerated as follows:

Name of the Members	Audit Committee Meetings held during the Financial Year 2018-19							
	29th May 2018	7th July 2018	28th July 2018	12th September 2018	12th November 2018	7th January 2019	7th February 2019	28th March 2019
Ms. Atreyee Borooah Thekedath	√	√	√	√	√	√	√	√
Shri D Sothi Selvam	√	√	√	√	NA	NA	NA	NA
Shri K Swaminathan	√	√	√	√	NA	NA	NA	NA
Shri Shyam Sundar Khuntia	√	X	√	√	√	√	√	√
Shri Vijay Sharma	√	√	√	X	NA	NA	NA	NA
Shri Sunil Sachdeva	√	√	√	√	√	√	√	√
Shri Vikash Preetam	NA	NA	NA	NA	√	X	√	√
Shri Arun Tandon	NA	NA	NA	NA	√	√	√	√

NOTE: The Audit Committee was reconstituted vide Resolution passed by Circulation with effect from 4th May, 2018 and thereafter on 26th October, 2018.

Nomination & Remuneration Committee

The Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, all the Directors of the Company are appointed by the MOPNG, their remuneration is fixed and performance evaluation is carried out by the Government of India from time to time. Nevertheless, a "Remuneration Committee" had been constituted by the Board at its meeting held on 30th January, 2009. The Committee was renamed as "Nomination & Remuneration Committee" on 6th February, 2015. During the year the Committee was reconstituted on 4th May, 2018 vide Resolution by Circulation dated 3rd May, 2018 and 26th October, 2018 vide Resolution by Circulation dated 23rd October, 2018.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee was revised w.e.f. 1st April, 2019 to make it in line with the Companies Act, 2013, ("the Act"), SEBI (LODR) Regulations, 2015 (as amended) and the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010. The revised terms of reference include the following:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board;

iii. Devising a policy on Board Diversity;

iv. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

v. The Nomination and Remuneration Committee shall, while formulating the policy ensure that -

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

– relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

– remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and such policy shall be disclosed in the Board's Report.

vi. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

vii. Recommending to the Board, all remuneration, in whatever form, payable to senior management.

NOTE: Your Company being a Government company, vide Notification No. GSR 463(E) dated 5 June 2015 as amended by Notification No. GSR 582(E) dated 13 June 2017 and notification No. GSR 802(E) dated 23 February 2018, has been exempted from applicability of section 178(2), (3) and (4) of the Companies Act, 2013.

The Annual Performance Appraisal of Top Management Incumbents of Public Enterprises is done through the Administrative Ministry as per the DPE Guidelines in this regard. Your Company being a Central Public Sector Enterprise under the administrative jurisdiction of Ministry of Petroleum & Natural Gas also has to follow the similar procedure.

Further, as per Section 149(6) of the Companies Act, 2013 read with exemption granted to Government Companies vide Notification No. GSR 463(E) dated 5th June, 2015, the Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise experience. In view of above, the role of Nomination & Remuneration Committee, in context of Directors, would be limited in the above mentioned serial (i), (ii), (iii), (iv), (v), (vi) and (vii).

Composition

As on 31st March, 2019, the Committee consisted of six (6) members, out of which two were Government Nominee Directors and four were Independent Directors.Ms. Atreyee Borooah Thekedath, Independent Director is the Chairperson of the Committee. The Composition of the Committee is as follows:

i. Ms. Atreyee Borooah Thekedath, Independent Director -Chairperson

ii. Shri Sunil Sachdeva, Independent Director – Member

iii. Shri Vikash Preetam, Independent Director – Member

iv. Shri Arun Tandon, Independent Director – Member

v. Shri Vijay Sharma,Government Nominee Director – Member

vi. Smt. Perin Devi Rao, Government Nominee Director - Member

The Committee held six (6) meetings during the Financial Year 2018-19 detailed as under:

Nomination and Remuneration Committee Meetings held during the Financial year 2018-19						
Name of the Member	**29th May 2018**	**28th July 2018**	**12th September 2018**	**12th November 2018**	**7th January 2019**	**7th February 2019**
Ms. Atreyee Borooah Thekedath	√	√	√	√	√	√
Shri Sunil Sachdeva	√	√	√	√	√	√
Shri Vijay Sharma	√	√	X	√	√	√
Shri Vikash Preetam	NA	NA	NA	√	X	√
Shri Arun Tandon	NA	NA	NA	√	√	√
Smt. Perin Devi Rao	NA	NA	NA	√	√	√

NOTE: Vide Resolution passed by Circulation on 26th October, 2018, the Nomination & Remuneration Committee was reconstituted.

Remuneration Policy

Balmer Lawrie (BL) is a PSU under the administrative control of MoPNG and for all purpose we follow the relevant and applicable guidelines. There are four levels under which the matter is dealt with, these are as under:

a. For Members of the Board

b. For Executives below the Board Level

c. For non-Unionised Supervisors

d. For unionised categories of employee through collective bargaining.

In matters related to the members of the Board, Executives below the Board Level we are strictly governed by the Department of Public Enterprises [DPE] guidelines, issued from time to time and ensure compliance to all such guidelines and practices. The matter of finalization of remuneration, including wages and benefits of non-Unionised Supervisors is overseen by the Board of BL and it is essentially in line with DPE guidelines as applicable.

For the unionised category the matter is decided based on a 5 years settlement period where the terms are decided based on collective bargaining. In this case the basic premises that governs the boundaries of any agreement is as laid out in the DPE OM No. W-02/0015/2016-DPE(WC)-GL-XXIV/17.

In all cases the Board of BL oversees all the above matters in the light of compliance of Government Guidelines and ethical Corporate Governance practices. Balmer Lawrie in fulfilling the statutory requirements has also a fully functional Nomination & Remuneration Committee.

Performance evaluation criteria for Independent Directors on the Board.

The Company being a Government Company, the criteria of independence as per Section 149 of the Companies Act, 2013 is determined by the Administrative Ministry. Hence, the evaluation criteria and such evaluation of Directors is done by the MoPNG.

Remuneration of Directors

a) There was no pecuniary relationship or transaction of any non-executive director vis-à-vis the Company except the sitting fees paid to the Independent Directors, which has been detailed in this report as well as MGT-9 as attached to the Board's Report.

b) By virtue of Article 7A of the Articles of Association of the Company, the President of India is entitled to decide the terms and conditions of appointment of the Directors. This, inter alia, includes determination of remuneration payable to the Whole-time Directors. Non-Executive Independent Director is entitled to sitting fee of ₹10,000 (Rupees Ten Thousand only) per meeting of the Board and Committee attended by them plus reimbursement of reasonable travelling, hotels and other expenses incurred in execution of his duties as Director and Member of any Committee. No sitting fee is paid to the Whole-time Directors /Non-Whole time Government Nominee Directors for the meetings of Board of Directors or Committees attended by them.

Disclosure with respect to remuneration of Directors

1) Details of remuneration paid to Executive Directors (Wholetime Directors) during the Financial Year 2018-19 are enumerated hereunder:

(All figures in ₹)

	Shri Prabal Basu	Shri D. Sothi Selvam	Shri Kalyan Swaminathan	Shri Shyam Sundar Khuntia	Shri Ratna Sekhar Adika
Salary and allowances	31,61,533	36,79,206	32,15,331	42,28,684	24,88,380
Incentive	15,98,679	12,77,395	11,20,901	12,68,396	7,37,128
Provident Fund	5,63,030	6,42,665	4,56,170	5,35,864	4,34,400
Gratuity	78,582	28,577	56,954	20,808	25,664
Perquisites	3,90,928	7,58,325	2,49,917	3,01,357	4,79,621
TOTAL	57,92,752	63,86,168	50,99,273	63,55,109	41,65,193
Terms of appointment	As contained in letters bearing reference no.- C-31024/3/2013-CA(Part-I)/ FTS(39921) dated 7th February, 2019 from Ministry of Petroleum & Natural Gas. C-31024/3/2013-CA(Part-I)/ FTS: 39921 dated 23rd October, 2015 C-31024/3/ 2013-CA/ FTS:26993 dated 18th May, 2015	As contained in letters bearing reference no.- C-31024/7/2012-CA (I)/FTS (36715) dated 1st February, 2019 C-31024/7/2012-CA (Part -1)/FTS: 36715 dated 4th August, 2016 C- 31024/7/2012-CA /FTS:23176 dated 09th October, 2014	As contained in letters bearing reference no.- C-31024/2/2013-CA(Part-I)/ FTS(39922) dated 4th February, 2019 C-31024/2/2013 (Part I)CA FTS: 39922 dated 21st March, 2017 C-31024/2/2013-CA /FTS:26994 dated 18th May, 2015	As contained in letters bearing reference no.- C-31024/4/2015-CA(II)/FTS(42956) dated 1st February, 2019 C-31024/04/2015 - CA/FTS: 39711 dated 22nd March, 2016	As contained in letters bearing reference no- CA-31024/2/2017-PNG (49) dated 4th January, 2019 CA-31024/2/2017-PNG (49) dated 2nd May, 2018

2) Details of remuneration paid to Non-Executive Directors during the Financial Year 2018-19 are enumerated hereunder :

(All figures in ₹)

Name of Director	Sitting fees	Total Remuneration	Terms of Appointment
Smt. Atreyee Borooah Thekedath	2,70,000	2,70,000	C-31034/1/2016-CA/FTS:46118 dated 31st January, 2017 and appointment letter dated 15th February, 2017
Shri Sunil Sachdeva	90,000	90,000	C-31034/2/2017-CA/FTS:49128 dated 8th September, 2017 and appointment letter dated 5th April, 2018
Shri Vikash Preetam	90,000	90,000	C-31033/2/2018-CA(22758) dated 24th July, 2018 and his appointment letter dated 2nd August, 2018
Shri Arun Tandon	1,00,000	1,00,000	C-31033/2/2018-CA (22758) dated 3rd August, 2018 and his appointment letter dated 12th September, 2018
Shri Vijay Sharma	-	-	C-31033/1/2016-CA/FTS:42979 dated 24th November, 2017
Smt. Perin Devi Rao	-	-	C-31033/1/2016-CA/FTS:42979 dated 26th July, 2018
TOTAL	**5,50,000**	**5,50,000**	

Notes :

1) During the year no stock option was issued by the Company to any Director.
2) Performance linked incentives are paid to the whole-time directors as per the DPE Guidelines.
3) The remuneration enumerated above does not include – Long Service Award and Post retirement Medical Benefit Scheme which are based on actuarial valuation and are not separately ascertainable for individual directors.
4) There was no expenditure debited in the books of accounts, which represent personal expenditure of the Board of Directors and Top Management.
5) Severance fee and notice period for the whole-time directors is NIL and the terms of disengagement for the Independent Directors is governed by the terms of the respective appointment letter issued to them

Stakeholders' Relationship Committee

As on 31st March, 2019, the Committee consisted of six (6) members, namely, Ms. Atreyee Borooah Thekedath (Independent Director) as Chairperson and Shri Sunil Sachdeva (Independent Director), Shri Vijay Sharma (Government Nominee Director), Shri Kalyan Swaminathan, Director (Service Businesses), Shri Shyam Sundar Khuntia Director (Finance) & CFO and Shri Ratna Sekhar Adika Director (HR & CA).

A meeting of this Committee was held on 12th November, 2018. All the members of this committee were present at the said Meeting.

Compliance Officer:

Name : Shri Kaustav Sen

Designation : Compliance Officer

The investors may lodge their complaint / grievance, if any, at the e-mail address : sen.k@balmerlawrie.com

Status of investor complaints :

Pending at the beginning of the year as on 1st April, 2018	NIL
Received during the year	261
Disposed of during the year*	261
Remaining unresolved at the end of the year as on 31st March, 2019	NIL
Complaints not solved to the satisfaction of shareholder*	0

**Since the complaints have been resolved and the concerned shareholder has not signified his/her dissatisfaction, hence it is presumed that the said complaints have been resolved to the satisfaction of the respective shareholders.*

General Body Meetings

Details of the last three Annual General Meetings held by the Company are enumerated as under:

DATE AND TIME	VENUE	MEETING NUMBER	SPECIAL RESOLUTION PASSED IN PREVIOUS 3 AGMS
12th September 2018 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Choudhry Avenue, Kolkata – 700019	101st Annual General Meeting	One Special Resolution was passed at the 101st AGM for increase in Authorized Share Capital and consequent amendment in Memorandum of Association.

DATE AND TIME	VENUE	MEETING NUMBER	SPECIAL RESOLUTION PASSED IN PREVIOUS 3 AGMS
14th September 2017 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Choudhry Avenue, Kolkata – 700019	100th Annual General Meeting	One Special Resolution was passed at the 100th AGM for fixation of fee for delivery of document through a particular mode.
22nd September 2016 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Choudhry Avenue, Kolkata – 700019	99th Annual General Meeting	Two Special Resolutions were passed at 99th AGM. a. For increase in Authorised Share Capital and consequent amendment in the Memorandum of Association. b. Alteration in the Articles of Association relating to the increase in Authorised Share Capital.

Special Resolutions passed in last year through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2018-19.

Special Resolution proposed to be conducted through Postal Ballot.

NIL

Means of Communication and Address for Correspondence

The quarterly un-audited financial results were submitted to the Stock Exchanges within forty five days from the end of each quarter. Audited annual financial results along with the results for the fourth quarter of the Financial Year 2018-19, were announced within sixty days from the end of Financial Year. Simultaneously, the said results were published in the newspapers and also uploaded on the website of the Company.

- Quarterly/half yearly/audited financial results, notices, etc., for the Financial Year 2018-19 were published in Financial Express (English), Aaj Kaal/ Ei Samay (Bangla) and Jansatta (Hindi).
- The financial results and other corporate announcements issued by the Company and other shareholder's information is posted on the Company's website http://www.balmerlawrie.com/static/corporate_announcements.
- The Company has an exclusive e-mail ID viz, blsharegrievance@balmerlawrie.com to enable the investors to lodge their complaint/grievance, if any.
- Official news releases are also available on the Company's website viz. www.balmerlawrie.com.
- All communications relating to share registry matters may be addressed to:

Karvy Fintech Private Limited Apeejay House Block "B", 3rd Floor, 15 Park Street, Kolkata 700 016 Tel: 033 6628 5900 or **Karvy Fintech Private Limited,** Karvy Selenium, Tower B, Plot No 31-32, Financial District, Nanakramguda Serilingampally, Mandal, Hyderabad–500032, Tel: 040-67161500, Toll free No. 1800 3454001, Email:einward.ris@karvy.com, website: www.karvyfintech.com	**Balmer Lawrie & Co. Ltd.** Secretarial Department, 21, Netaji Subhas Road, Kolkata-700001 Phone-(033)2222 5329 E-mail : sen.k@balmerlawrie.com

General Shareholders' Information

Date & Time	Wednesday, 18th September, 2019, 10.30 a.m.	
Venue	G D Birla Sabhagar, 29, Ashutosh Choudhry Avenue, Kolkata – 700 019	
Financial year	1st April, 2018 to 31st March, 2019	
Book Closure Dates	From: Thursday, 12th September, 2019 To: Wednesday,18th September, 2019	(both days inclusive)

Dividend Payment Date

Upon declaration at the ensuing 102nd Annual General Meeting scheduled on 18th September, 2019, dividend shall be paid to those shareholders (holding shares as on 11th September, 2019 End of Day) on or after 23rd September, 2019, and within statutory period of 30 days from the date of declaration.

Dividend History & Amount of Unclaimed Dividend to be transferred to the 'Investors' Education and Protection Fund'

Date on which, dividend declared / Financial year	Total amount of Dividend (in ₹)	Amount of unclaimed dividend as on 31st March, 2019 (In ₹)	% of unclaimed dividend to total dividend	Due date of transfer to* the "Investors' Education and Protection Fund"	Type of Dividend
26th September, 2012 2011-12	45,60,10,268.00	16,05,856	0.35	2nd November 2019	Final
24th September, 2013 2012-13	50,16,11,281.60	47,34,729	0.94	31st October 2020	Final
25th September, 2014 2013-14	51,30,11,538.00	31,83,912	0.62	1st November 2021	Final
22nd September, 2015 2014-15	51,30,11,538.00	40,91,976	0.80	29th October 2022	Final
22nd September, 2016 2015-16	57,00,12,820.00	50,47,280	0.89	29th October 2023	Final
14th September, 2017 2016-17	79,80,17,948.00	74,67,187	0.94	21st October 2024	Final
12th September, 2018 2018-19	114,00,25,640.00	101,88,370	0.89	19th October 2025	Final

**These are indicative dates. Actual Deposit dates may vary but would be as per Sections 124 & 125 of the Companies Act, 2013 read with the applicable Rule(s).*

Payment of Dividend through Electronic Mode

The electronic mode of payment brings in further efficiency and uniformity in credit of the dividend amount. The advantages of electronic mode over physical mode includes faster credit of remittance to beneficiary's account, wider coverage with no limitations of location in India. Your Company accordingly encourages the use of electronic mode for payment of dividend wherever available. To avail such facility the shareholders, are requested to fill-in the mandate form thereby providing the MICR and IFSC code number of their bank and branch along with the bank account number and other details to the Registrar & Share Transfer Agent of the Company, (where the shares are being held in physical form) or to their Depository Participant (where the shares are being held in dematerialized mode) on or before 11th September, 2019, (end of day).

This would facilitate prompt encashment of dividend proceeds and also enable the Company to reduce cost of dividend distribution.

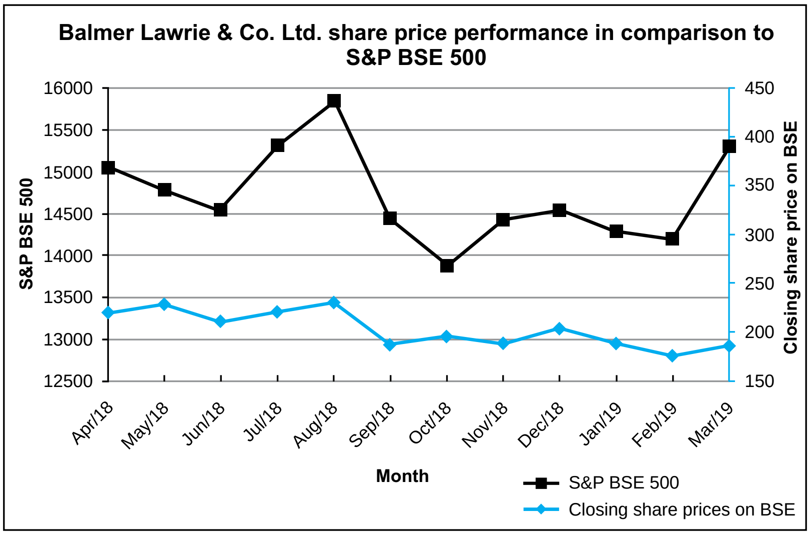
Stock Exchanges where the equity shares of the Company are listed and other related information

Name and address of the Stock Exchanges	Stock code	Confirmation about payment of Annual Listing Fee for FY 2018-19 to the Stock Exchanges
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	523319	Yes
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	BALMLAWRIE	Yes
ISIN Code of the Company	INE 164A01016	

Market Price (High and Low) of the Company as per National Stock Exchange of India Limited and Bombay Stock Exchange (for the period April 2018 to March 2019)

	National Stock Exchange of India Limited		BSE Ltd.	
Month	**High (₹)**	**Low (₹)**	**High (₹)**	**Low (₹)**
April-18	227.65	215.10	229.00	214.35
May-18	233.50	204.55	232.95	202.85
June-18	230.20	205.10	229.60	204.00
July-18	225.00	206.00	224.25	206.05
August-18	230.90	217.40	231.00	217.10
September-18	231.05	185.50	231.00	178.00
October-18	200.20	177.50	199.25	175.00
November-18	209.40	187.05	208.65	186.05
December-18	213.00	177.35	213.00	177.45
January-19	206.70	184.00	206.00	184.85
February-19	191.00	159.25	199.00	160.00
March-19	197.95	175.00	198.45	176.55

Market Price of the Equity Shares of the Company vis-a-vis the S&P BSE 500



Registrar & Share Transfer Agent

At present, the share registry functions, in both physical and demat segments are handled by a single common agency Karvy Fintech Private Limited, having its offices as mentioned below:

- Apeejay House Block "C", 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900

  or

- Karvy Selenium, Tower B, Plot No 31-32, Financial District, Nanakramguda Serilingampally, Mandal, Hyderabad–500032, Tel: 040-67161500, Toll free No. 1800 3454001, Email:einward.ris@karvy.com, website: www.karvyfintech.com.

Share Transfer System

The physical share transfer procedure and miscellaneous share registry matters are overseen by Karvy Fintech Private Limited, the Registrar and Share Transfer Agent of the Company.

Distribution of Shareholding as on 31st March, 2019 on the basis of category of Shareholders

Category & Name of the Shareholders	Total no. of Equity Shares	% (On the total Equity holding)
Promoter and Promoter Group	0	0.00
Mutual Funds	3824	0.00
Financial Institutions / Banks	8789138	7.71
Foreign Portfolio Investors	1785668	1.57
Insurance Companies*	0	0.00
Central Government / State Government (s) / President of India	28140	0.02
Others	103395794	90.70
Total	**114002564**	**100.00**

*The change in this percentage is due to change in categorization of shareholding of General Insurance Corporation of India, Life Insurance Corporation of India and National Insurance Company Ltd. as per the records from NSDL/ CDSL.

Distribution of Shareholding Report (NSDL+CDSL+Physical) on the basis of number of Equity shares held as on 31st March, 2019:

Sr. No	Number of Shareholding	No. of Shareholders	% of Total Shareholders	Number of Shares	% of Total Share Capital
1	1 to 500	42832	82.92	5221180	4.58
2	501 to 1000	4122	7.98	3141862	2.76
3	1001 to 2000	2199	4.26	3255230	2.86
4	2001 to 3000	836	1.61	2097073	1.83
5	3001 to 4000	468	0.91	1677043	1.47
6	4001 to 5000	283	0.55	1300530	1.14
7	5001 to 10000	491	0.95	3532429	3.10
8	10001 & Above	425	0.82	93777217	82.26
	Total	**51656**	**100.00**	**114002564**	**100.00**

Dematerialization of Shares and Liquidity

The Equity shares of your Company are to be traded compulsorily in de-materialized mode and are available for trading, with both the Depositories in India, i.e., National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

As on 31st March 2019, the distribution of Equity Shares held in physical and de-materialized mode, are produced below:

Percentage of physical and dematerialized shares as on 31st March, 2019

Type of shares	%
Physical	1.53
Dematerialized	98.47
TOTAL	**100.00**

Your Company, has paid the annual custody fee for the Financial Year 2018-19 to both the Depositories, i.e., NSDL & CDSL.

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk & hedging Activities

The details of Commodity Price Risk or Foreign Exchange Risk & hedging Activities has been disclosed in Note No. 42 of the Financial Statements.

Plant and office Location:

Name of the business	Location	Location
Greases & Lubricants	**Manufacturing Units :** Chennai Kolkata Silvassa **Application Research Laboratory:** Kolkata	**Marketing Offices:** Bengaluru Chandigarh Chennai Coimbatore Gurugram Hyderabad Jaipur Kolkata Mumbai New Delhi Patna Pune Raipur Vadodara
Industrial Packaging	**Manufacturing units:** Asaoti Chennai Chittoor Kolkata Navi Mumbai Silvassa Vadodara	**SBU Office:** **Sales Office:** Gurugram Vadodara
Leather Chemicals	**Manufacturing units :** Chennai **Technical Service Centers :** Ambur & Vaniyambadi Kanpur Kolkata Ranipet	**Marketing office:** Chennai **Product Development Centre :** Chennai
Logistics Services	Ahmedabad Bengaluru Chennai Coimbatore Goa Gwalior Hyderabad Kanpur Karur	Kochi Kolkata Mumbai New Delhi Pune Thiruvananthapuram Tuticorin Visakhapatnam

Name of the business	Location	Location
Logistics Infrastructure	**Container Freight Station** Chennai Kolkata Navi Mumbai	**Warehousing & Distribution** Coimbatore Kolkata
	Temperature Controlled Warehouse Navi Mumbai Rai Medchal-Village - Telangana	**Multimodal Logistics Hub** Visakhapatnam **Integrated Check Post** Jogbani Raxaul
Refinery & Oilfield Services	Kolkata	
Travel	Ahmedabad Bengaluru Bhubaneswar Chennai Delhi Gurugram Guwahati Hyderabad Kanpur	Kochi Kolkata Lucknow Mumbai New Delhi Port Blair Pune Thiruvananthapuram Vadodara Visakhapatnam
Vacations	Ahmedabad Bengaluru Bhubaneswar Chennai	Hyderabad Kolkata Mumbai New Delhi

List of all credit ratings obtained by the Company along with any revisions

The long term credit rating for the cash credit limits and non-fund based limits obtained from ICRA Limited is [ICRA] AA+ and the short term credit rating for the fund based limits obtained from ICRA Limited is [ICRA] A1+.

The long term credit rating for the bank facilities obtained from CARE is CARE AA+; Stable and the short term credit rating for bank facilities obtained from CARE is CARE A1+.

Further, there was no revision in the above Credit Rating during the Financial Year.

Disclosures

a) Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of listed entity at large.

There were no materially significant Related Party Transactions. None of the RPT had any conflict with interests of the Company.

All the RPT have been detailed in Note No. 40.19 of the Financial Statement. The Company has formulated Related Party Transactions Policy which was amended at the Board Meeting held on 29th March, 2019, pursuant to amendment in the SEBI (LODR) Regulations, 2015 and the same has been uploaded on the website of the Company at :

http://www.balmerlawrie.com/app/webroot/uploads/Related_Party_Transactions_Policy.pdf

b) Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets/ any Guidelines issued by the Government, during the last three years:

Sr. No.	Action taken by	Quarter ended	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.
1.	BSE Ltd.	30th September, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September 30, 2018.	Fine of ₹ 5,42,800 was imposed by BSE Ltd.
2.	BSE Ltd.	30th September, 2018	Non-compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of ₹ 2,17,120 was imposed by BSE Ltd.
3.	National Stock Exchange of India Ltd.	30th September, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September 30, 2018.	Fine of ₹ 5,42,800 was imposed by National Stock Exchange of India Ltd.
4.	National Stock Exchange of India Ltd.	30th September, 2018	Non-compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of ₹ 2,17,120 was imposed by National Stock Exchange of India Ltd.
5.	BSE Ltd.	31st December, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December 31, 2018.	Fine of ₹ 42,800 was imposed by BSE Ltd.

Sr. No.	Action taken by	Quarter ended	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.
6.	BSE Ltd.	31st December, 2018	Non-compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of ₹ 59,000 was imposed by BSE Ltd.
7.	National Stock Exchange of India Ltd.	31st December, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December 31, 2018.	Fine of ₹ 5,42,800 was imposed by National Stock Exchange of India Ltd.
8.	National Stock Exchange of India Ltd.	31st December, 2018	Non-compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended December 31, 2018.	Fine of ₹ 59,000 was imposed by National Stock Exchange of India Ltd.
9.	BSE Ltd.	31st March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March 31, 2019.	Fine of ₹ 5,31,000 was imposed by BSE Ltd.
10.	National Stock Exchange of India Ltd.	31st March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March 31, 2019.	Fine of ₹ 5,31,000 was imposed by National Stock Exchange of India Ltd.

The Company had written to BSE Ltd. and National Stock Exchange of India ltd. against impositions of all these fines and requested for waiver of such fines in line with policy of the Stock Exchange(s) regarding uniform carve outs for fines. The Company has not paid the aforesaid fines and the matter was also reported to the Administrative Ministry.

c) The Company introduced the 'Whistle Blower Policy' with effect from January, 2010 to promote and encourage transparency in the Company and protects employees against victimization. The Chairperson of the Audit Committee is the Ombudsperson under the Policy. The Policy is posted on the Company's website viz http://www.balmerlawrie.com/app/webroot/uploads/Whistle_Blower_Policy.pdf

   No personnel has been denied access to the Chairperson of the Audit Committee during the year.

d) On and from 9th April, 2010 the Company also introduced a 'Fraud Prevention Policy' with the object of promoting high standards of professionalism, honesty, integrity and ethical behavior. This policy meets the requirements laid down in the Guidelines on Corporate Governance for Public Sector Enterprises, 2010.

e) All Board Members and Senior Management have affirmed compliance to Code of Conduct as per Regulation 26(3) of the SEBI (LODR). The Company has a Code of Conduct for its Directors and Senior Management Personnel, which is in operation since 2006. The Code had been reviewed and revised by the Board in the Financial Year 2011-12. Declaration by the CEO, i.e., Chairman & Managing Director to this effect has been set out in the Annual Report.

f) The Company has, with effect from 27th May, 2015, introduced "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to Regulate, Monitor and Report Trading by Insider" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Codes have been amended w.e.f. 1st April, 2019 to bring them in line with the amendments in SEBI (Prohibition of Insider trading) Regulations, 2015 and the same is now called "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relative of Designated Persons".

g) Pursuant to SEBI (LODR) Regulations, 2015, the Company has obtained Certificate from the Statutory Auditors on compliance of the conditions of Corporate Governance. A copy of such Certificate is attached as '**Annexure -5**'.

h) The Company has prepared the Financial Statements to comply with all material aspects with prescribed Accounting Standards.

i) The CEO (Chairman & Managing Director) and the CFO have jointly certified to the Board, with regard to reviewing the financial statements, cash flow statements and effectiveness of internal control and other matters as required under SEBI (LODR) for the year ended 31st March, 2019.

j) The Company, in August 2017 had updated its Enterprise Risk Management Policy to meet the specific requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations. The said policy is posted on the Company's website viz

http://www.balmerlawrie.com/app/webroot/uploads/ERM_Policy01_08_17.pdf

k) Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015, the Company has obtained a certificate from Mr. Navin Kothari, a Company Secretary in Practice confirming that none of the directors on the Board of the Company as on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/ Ministry of Corporate Affairs or any such Authority attached as **'Annexure 7'**.

l) There were no such instances when the Board had not accepted any recommendation of any Committee in the FY 2018-19.

m) Web link where policy for determining 'material subsidiaries' is disclosed:

http://www.balmerlawrie.com/app/webroot/uploads/Policy_on_Determining_Material_Subsidiary-BL.pdf

n) The Company adopted Dividend Distribution Policy in the year 2016, the web link of the said Policy is :

http://www.balmerlawrie.com/app/webroot/uploads/DIVIDEND_DISTRIBUTION_POLICY.pdf

o) Disclosure of commodity price risks and hedging activities as per Schedule V of SEBI (LODR).

The details of Commodity Price Risk or Foreign Exchange Risk & hedging Activities has been disclosed in Note No. 42 of the financial statements.

p) The details of total fees paid to the Statutory Auditor by the Company and its subsidiaries, on a consolidated basis, for all services rendered by them is disclosed in Note No. 35 of the financial statements.

q) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the Financial Year 2018-19	One
Number of complaints disposed off during the Financial Year 2018-19	One
Number of complaints pending as on the end of the Financial Year 2018-19	NIL

r) Disclosures with respect to demat suspense account/ unclaimed suspense account: Not applicable.

Other Disclosure

i) Details of Presidential directives issued by the Central Government and their compliance during the year and the last three years: Nil

ii) Items of expenditure debited on the books of accounts, which are not for the purpose of the business: NIL

iii) Expenses incurred which are personal in nature and incurred for the Board of Directors and top management: NIL

iv) Details of administrative and office expenditure as a percentage of total expenses vis-à-vis financial expenses and reasons for increase:

(a) Administrative expenses as % of Total expenses

2018-19 - 13.94%

2017-18 - 14.64%

(b) Finance expense as % of Total expenses

2018-19 - 0.35%

2017-18 - 0.27%

The nominal increase in the percentage is mainly on account of interest outgo for borrowings.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

All mandatory requirements of applicable provisions of the SEBI (LODR) have been complied with except for appointment of required number of Independent Directors and other allied matters. As far as compliance of non-mandatory requirements are concerned, the Company has not adopted any non-mandatory requirement except that Internal Auditor of the Company reports to the Audit Committee. The applicable Non-Mandatory requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

Confirmation of compliance as per SEBI (LODR):

It is hereby confirmed that except as stated above, the Company has complied with the requirements under Regulations 17 to 27 and Regulation 46 of the SEBI LODR. Further, the Statutory Auditors' certificate, certifying that the Company has complied with the conditions of Corporate Governance, is annexed to the Boards' Report.

For and on behalf of the Board
Balmer Lawrie & Co.Ltd.

Prabal Basu
Chairman & Managing Director

D Sothi Selvam
Director (Manufacturing Businesses)

Registered Office
21, N. S. Road
Kolkata-700 001

Date: 13th August, 2019

Declaration by Chairman & Managing Director (CEO) as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members,

Balmer Lawrie & Co. Ltd.

Sub: Declaration regarding Compliance of the Code of Conduct for the Board Members and Designated Personnel

I, Prabal Basu, Chairman & Managing Director of Balmer Lawrie & Co. Ltd. hereby declare that all the members of Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board Members and Designated Personnel within 30 days from the end of 31st March 2019.

For **Balmer Lawrie & Co. Ltd.**

Place : Kolkata

Date: 5th April, 2019

Prabal Basu

Chairman & Managing Director

Annexure-5

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

The Members
Balmer Lawrie & Co. Limited
21, N.S. Road
Kolkata - 700001

We have examined the compliance of conditions of Corporate Governance by Balmer Lawrie & Co. Limited (the company) for the financial year ended 31 March, 2019 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI(LODR)] and Guidelines for Corporate Governance for CPSES 2010 of Department of Public Enterprises (DPE). The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination is limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the company and subject to:

i) Regulation 17(1)(b) of SEBI (LODR) Regulation, 2015 and clause 3.1.4 of DPE Guidelines require that in case the Chairman is an Executive Director at least half of the Board should comprise of Independent Director.

   However, during the Financial Year 2018-19 (from 1st April, 2018 to 31st March, 2019) the company failed to comply with this condition. The total number of directors comprising the Board of the Directors is 11, out of which 4 are Independent Directors, 5 are Whole Time Directors and 2 Directors have been nominated by the Government of India;

ii) Regulation 18(1)(1b) of SEBI (LODR) Regulation, 2015 and clause 4.1.1 of DPE Guidelines require that at least two third of Audit Committee should comprise of Independent Director. However during the Financial Year 2018-19 (from 1st April, 2018 to 31st March, 2019), this condition was complied on and from 26th October 2018. During the first two quarters of the said financial year the condition was not complied with;

iii) Regulation 19(1)(c) of SEBI (LODR) Regulation, 2015 require that at least half of Nomination and Remuneration Committee should comprise of Independent Director. During the Financial Year 2018-19 (from 1st April, 2018 to 31st March, 2019); this condition was complied throughout the said year.

iv) Regulation 23(2) of SEBI (LODR) Regulation, 2015 require all related party transactions shall require prior approval of the Audit Committee. However, during the Financial Year 2018-19 (from 1st April, 2018 to 31st March, 2019) all transactions had received prior approval except one which had received post facto approval by the Audit Committee. These transactions appeared to be regular business transactions and are continuing in nature.

Subject to the above, we certify that the company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulation, 2015 and in guidelines for Corporate Governance CPSES 2010 of DPE.

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

For **Dutta Sarkar & Co.**
Chartered Accountants
FRN : 303114E

(B.K. Dutta)
Partner

Date : 17.07.2019
Place : Kolkata

Annexure-6

CS N. K & Associates
Company Secretaries

MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To,

The Members,
BALMER LAWRIE & COMPANY LIMITED
21 Netaji Subhas Road
Kolkata – 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Balmer Lawrie and Company Limited bearing CIN No.- L15492WB1924GOI004835 (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) (as amended) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') (as amended) and the rules made thereunder;

(iii) The Depositories Act, 1996 (as amended) and the Regulations and Bye-laws framed thereunder;

(iv) The Company does not have any transactions falling under the purview of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, hence Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, do not apply to that extent for the limited purpose of this audit.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) SEBI (Prohibition of Insider Trading) Regulations, 2015;

   c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);

d) SEBI (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);

e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

g) SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

h) SEBI (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

(vi) Other laws specifically applicable to the Company:

a) Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005- GM dated 14th May, 2010;

b) Legal Metrology Act, 2009;

c) Customs Act, 1962;

d) Petroleum Act,1934 read with Petroleum Rules, 2001;

e) The Foreign Trade (Development and Regulation Act), 1992;

f) The Warehousing (Development and Regulation) Act, 2007;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India. (as amended)

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015. (as amended)

During the period under review fines were imposed by the BSE & NSE regarding non-compliance of Regulation 17(1) & 18(1) of SEBI (LODR) Regulations, 2015 for September & December Quarter, 2018.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professional.

I further report that,

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The composition of Audit Committee was not as per Companies Act, 2013 and Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 from 1st April, 2018 to 25th October, 2018 due to absence of Independent Directors and subsequently, on 26th October, 2018 the committee was reconstituted to bring its constitution in line with the said Regulation.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We 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.

We further report that during the Audit Period, the Company has not incurred any specific event / action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

For N. K. & Associates
Company Secretaries

Navin Kothari
Proprietor
FCS No. 5935
C P No.: 3725

Place: Kolkata
Date: 13.07.2019

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

'Annexure A'

N. K & Associates
Company Secretaries

The Members,
BALMER LAWRIE AND COMPANY LIMITED
21, Netaji Subhas Road
Kolkata – 700001

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for my opinion.
3. In view of financial records and books of accounts being subjected to audit by the Internal Auditor, Statutory Auditor, Cost Auditor and C&AG Auditor and relying on the reports submitted by the above agencies from time to time, we have not separately verified the financial records and books of accounts of the company.
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 and regulations, standards is the responsibility of management. My examination was limited to the verification of procedure 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.

For N. K. & Associates
Company Secretaries

Navin Kothari
Proprietor
FCS No. 5935
C P No.: 3725

Place: Kolkata
Date: 13.07.2019

Annexure 7

N. K & Associates
Company Secretaries

159, Rabindra Sarani, 9th Floor
Kolkata - 700 007
Phone : +91-33-4601-3950
E-mail : kothari.navin@yahoo.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
BALMER LAWRIE AND COMPANY LIMITED
21 NETAJI SUBHAS ROAD KOLKATA 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BALMER LAWRIE AND COMPANY LIMITED** having CIN L15492WB1924GOI004835 and having registered office at 21 NETAJI SUBHAS ROAD KOLKATA 700001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such statutory authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	PRABAL BASU	06414341	01/12/2012
2	DHANDAPANI SOTHI SELVAM	07038156	02/01/2015
3	KALYAN SWAMINATHAN	06912345	01/08/2015
4	SHYAM SUNDAR KHUNTIA	07475677	28/03/2016
5	RATNA SEKHAR ADIKA	08053637	29/05/2018
6	VIJAY SHARMA	08045837	15/01/2018
7	PERIN DEVI RAO	07145051	28/07/2018
8	ATREYEE BOROOAH THEKEDATH	00795366	13/02/2017
9	SUNIL SACHDEVA	00754633	04/04/2018
10	VIKASH PREETAM	00910261	28/07/2018
11	ARUN TANDON	08210607	12/09/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Navin Kothari
Proprietor

For N.K. & Associates
Company Secretaries

Place: Kolkata
Date: 13.07.2019

FCS No.:5935
CP No.:3725

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALMER LAWRIE & CO. LTD

Report on the Audit of the Standalone Financial Statements

Opinion

On the basis of the observations made by the Comptroller & Auditor General of India, this revised audit report has been prepared in lieu of the earlier report dated 28.05.2019 to comply with the observations of Comptroller & Auditor General of India.

We have audited the standalone financial statements of Balmer Lawrie & Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Northern, Southern and Western Region of the country].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report;

Sl. No	Key Audit Matter	Auditor's Response
1.	**Implementation of IND AS 115** Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of IND AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted of studying the internal audit report regarding the implementation and also testing of the design and operating effectiveness of the internal controls and substantive testing. We evaluated the design of internal controls relating to implementation of the new revenue accounting standard. We selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation. Samples in respect of recording and recognition of revenue were tested by checking the invoices and performance. **Conclusion:** Our procedures did not identify any material exceptions.
2.	**Evaluation of uncertain tax positions** The Company has tax matters under dispute which involves judgment to determine the possible outcome of these disputes. [Refer Note:40.2 (a) read with annexure "A"]	We obtained the details of assessment orders to the extent available regarding those assessments for which disputes are continuing and being disclosed as contingent liability from management. We involved our internal experts to estimate the possible outcome of the disputes. Our internal experts considered the assessment orders and other rulings in evaluating management's position on these uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties. **Conclusion:** We agree with management's evaluation.

<table>
<tr><th>Sl. No</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>3.</td><td>Debtors Due for More than Three years and Credit Balance in Sundry Debtors Accounts (unallocated receipts)

The company has credit balance in some customer accounts across all Strategic Business Unit (SBU's). The credit balance in these customer accounts are due to either of the following reasons:

• Amount lying in the nature of advance in the customer account;

• Amount credited to customer account but the same could not be tracked/linked with any sales invoice;

• Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods.</td><td>We have checked the debtor's ageing schedule of the SBU's. The authority is regularly following up on the realisation of the same. As is evident from the ageing schedule dues do exist for more than three years against which provision has been provided for in the accounts.

We, during the course of our examination have also checked the unadjusted advances from customers for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases the management is in the process of reconciliation with the respective parties and hence the process of write back has been kept in abeyance.

The debtors balance of Logistic services (LS) Kolkata, includes of receivables from Hindustan Paper Corporation Limited (₹ 5,991,087/-) and Stone India Limited (₹ 1,815,692/-). Both the companies have gone to NCLT and claim has been filed by the company under the insolvency and bankruptcy code and the same was verified by us and also provided in the accounts by the management.

As according to the books of accounts the total credit balances lying in customers' accounts is ₹ 2,588.46 Lakhs and credit balance lying over three years is ₹ 470.73 Lakhs spread over various SBU's.

Conclusion:

The management is following up on the process of reconciliation with regard to unallocated receipts.</td></tr>
</table>

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 judgements 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 SAs 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a) We did not audit the financial statements/information of branches situated in Northern, Western and Southern regions included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 110,405.36 Lakhs as at 31st March 2019 and the total revenue of ₹ 157,220.16 Lakhs for the year ended on that date, as considered in the standalone financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

b) The sundry creditor for expenses includes a sum of ₹ 326.75 Lakhs (E&P Division, Kolkata), which are lying since 2011-12. As the matter is under litigation, the sum is lying unpaid.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by the directions issued by the Comptroller and Auditor – General of India, in terms of section 143(5) of the Act, we give the compliance in "Annexure C".

3. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and with the returns received from the branches not visited by us;

e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements [refer Note 40.2 (a) read with annexure "A"].

   ii) The Company does not have any material foreseeable losses on long-term contracts including derivative contracts;

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

4. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

(Mainak Chakrabarti)
Partner
Membership No. - 063052

Place : Kolkata
Date : 28th June, 2019

ANNEXURE - 'A' TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balmer Lawrie & Co. Limited of even date)

i) In respect of the Company's fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) The Company has a regular program of physical verification of its fixed assets in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of its assets. As according to the policy of the company, plant & machinery, furniture and fittings, IT equipments, computers and vehicles are verified every year and other fixed assets are verified in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.

c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned below. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company, except as mentioned below.

Due to non – availability of the original title deeds in certain cases of immovable properties mentioned herein below, we are unable to comment whether the respective title deeds are held in the name of the company;

Address of Immovable Property	Status of Document Received
Gopalpur holiday home vill-Gopalpur, Udayapur Mouza Gopalpur, Orissa	Certified Conveyance Deed and Photocopy Agreement
Balmer Lawrie & Co Ltd Village-Piyala Ballabgarh, vill-Asaoti, Dist-Faridabad	Photocopy of Agreement
Batra Centre 27,Ulsoor Road Bangalore-560042	Certified Copy of Sale Deed
Flat no.601, Sea Gull Cooperative Housing Society Ltd (B&C) Sherly Rajan Road, Rizvi Complex, Off Carter Road Bandra (West) Mumbai-400 061	Photocopy: Registration Receipt
Sea Crest Cooperative Housing Society Ltd Plot No-63, 64, Seven Bungalows, Jay Prakash Road, Versova Andheri (West) Mumbai-400 061	Photocopy of Agreement
Flat No(s) 202,Mount Unique Co-op. Hsg Soc. Ltd. 25, Mount Mary Road, Bandra (West) Mumbai-400 050	Photocopy of Agreement
Flat No. 23A, Meherina Cooperative Housing Society Ltd. Plot No. C-51, Nepean Sea Road Mumbai-400 026	Photocopy of Agreement and Share Certificate

Address of Immovable Property	Status of Document Received
Flat at BL Housing Complex Plot No. 1-1 & 1-2, Sector 2, Phase II, Nerul, Navi Mumbai-400 706	Photo Copy of MOU with CIDCO
House No(s) H2 & H3, Bokadveera, Uran, Mumbai	Photocopy of Registered Agreement
Balmer Lawrie Grease and Lubricants Division, 149, Jackeria Bunder Road, Sewree (W) Mumbai-400 015	Survey Report and Photocopy of Agreement
Balmer Lawrie Industrial Packaging Division, 149, Jackeria Bunder Road, Sewree (W) Mumbai-400 015	
Balmer Lawrie Survey No 201/1,Sayli Village, Silvassa-396 230	Photocopy of Agreement
Balmer Lawrie Survey No 23/1/1,Khadoli Village, Silvassa-396 230	Photocopy of Agreement
Balmer Lawrie 5, J. N. Heredia Marg, Ballard Estate, Mumbai-400 001	Photocopy of Lease Agreement
Ground Floor, Sadashiv Sadan, Andheri (E), Mumbai-400 099	Photocopy of Agreement
Plot No. F-9/5, Additional Patalganga Industrial Area, Chawane, Taluka-Panvel, Raigad District, Maharashtra	Photocopy of Agreement
Grease Division P-43, Hide Road Extention, Kolkata-700 088	Certified Copy of Indenture
Scope Complex & Noida Housing Complex Buildings, not registered in the name of the company	Not registered in the name of the company

ii) According to the information and explanation given to us the inventory of the Company except goods in transit has been physically verified during the year by the management. In our opinion, having regard to the nature and location of inventory the frequency of verification is reasonable and no material discrepancies were noticed on such verification;

iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly clauses 3(iii) (a) to 3(iii) (c) of the Order are not applicable;

iv) According to the information and explanations given to us, the Company has not given any loans, guarantees, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013;

v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company;

vi) We have broadly reviewed the cost record maintained by the Company in respect of the products of Grease and Lubricants, Industrial

Packaging & Leather Chemicals where, pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records for any other product of the Company;

vii) According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities;

(b) The disputed statutory dues of Sales Tax, Service Tax and Central Excise aggregating to ₹ 10,244.37 lakhs (P.Y ₹ 10,918.67 Lakhs) have not been deposited as mentioned in Note No. 40.2(a) to the accounts read with Annexure "A" showing the amounts involved and the forum where the dispute is pending;

viii) The Company has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder;

ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The company has availed term loan in connection with TCW Patalganga unit and recorded in the books of the concerned SBU.

x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) The provisions of section 197 of the Act read with schedule V to the Act does not apply to a Government company vide notification no. GSR 463 E dated 05 June 2015. Accordingly, the provisions of clause 3(xi) of the order is not applicable.

xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations provided to us and the records of the company examined by us, the Company has been able to comply with the requirements of Section 177 in respect of composition of Audit Committee. All transactions of the Company with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statement in Note No. 40.19 (i) and (ii) as required by the applicable accounting standard.

xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

(Mainak Chakrabarti)
Partner
Membership No. - 063052

Place : Kolkata
Date : 28th June, 2019

ANNEXURE - 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balmer Lawrie & Co. Limited of even date)

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

We have audited the internal financial controls over financial reporting of Balmer Lawrie & Co. Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. Though certain areas require further strengthening, it does not have any material effect on the internal financial controls.The internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

(Mainak Chakrabarti)
Partner
Membership No. - 063052

Place : Kolkata
Date : 28th June, 2019

ANNEXURE - ‘C’ TO THE INDEPENDENT AUDITOR’S REPORT

Annexure referred to in paragraph 2 on “Other Legal and Regulatory Requirements” to the Independent Auditor’s Report of Balmer Lawrie & Co. Limited for the year ended 31 March 2019

Sl. No	CAG’s Directions	Our Observation	Impact on Financial statements
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on integrity of the accounts along with the financial implications, if any, may be stated.	The accounting transactions are processed and documented through SAP. There are standalone intermediary softwares to capture the transactions related to certain functions certain SBU’s (for example Mid Office software for Tours and Travel). The transactions from these standalone software’s are posted in SAP for accounting purpose.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	No such case	Nil
3.	Whether the funds received/ receivable for specific schemes from Central/State agencies were properly accounted for utilised/utilised as per terms and conditions? List the cases for deviation	The company has been sanctioned a Grant-in-Aid of ₹ 7.83 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company has been disbursed ₹ 1.81 crores for specified assets purchased [for Patalganga, Maharashtra] as according to the scheme document the fund is disbursed upon utilisation for specific purpose.	The accounting for the same has been done with regard to IND AS 20 “Accounting for Government Grants and Disclosure of Government Assistance”.Accordingly, the same has been treated as deferred income to be apportioned over the useful life of the assets. During the current financial year a sum of ₹ 12.16 Lakhs has been credited to the income in the statement of profit and loss account based on the accounting standard.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

(Mainak Chakrabarti)
Partner
Membership No. - 063052

Place : Kolkata
Date : 28th June, 2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BALMER LAWRIE & COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 28 June 2019 which supersedes their earlier Audit Report dated 28 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6)(b) of the Act.

For and on the behalf of the

Comptroller & Auditor General of India

(Suparna Deb)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-I,
Kolkata

Place : Kolkata
Date : 06.08.2019

BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in Lakhs)

	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
(1) **Non-Current Assets**			
(a) Property, Plant and Equipment	2	**39,667.82**	39,480.03
(b) Capital work-in-progress		**11,694.48**	1,324.53
(c) Investment Properties	3	**111.39**	113.54
(d) Intangible Assets	4	**391.08**	527.27
(e) Financial Assets			
(i) Investments	5	**14,006.80**	13,840.66
(ii) Loans	6	**420.89**	428.29
(iii) Others	7	**775.27**	554.61
(f) Deferred tax assets (Net)	8	**—**	—
(g) Non Financial Assets - Others	9	**3,759.03**	3,480.00
Total Non Current Assets		**70,826.76**	59,748.93
(2) **Current Assets**			
(a) Inventories	10	**14,293.31**	13,663.32
(b) Financial Assets			
(i) Trade Receivables	11	**27,619.22**	27,127.33
(ii) Cash & cash equivalents	12	**4,614.05**	5,059.07
(iii) Other Bank Balances	13	**39,071.11**	43,007.56
(iv) Loans	14	**1,304.66**	2,467.37
(v) Others	15	**24,775.38**	27,170.78
(c) Non Financial Assets - Others	16	**5,727.23**	6,940.62
Total Current Assets		**117,404.96**	125,436.05
Total Assets		**188,231.72**	185,184.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	**11,400.25**	11,400.25
(b) Other Equity	18	**118,620.19**	114,185.89
Total Equity		**130,020.44**	125,586.14
LIABILITIES			
(1) **Non-Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	19	**1,060.94**	1,115.99
(ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	19	**-**	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	**-**	-
(iii)Other Financial Liabilities	19	**5.42**	49.82
(b) Provisions	20	**4,014.48**	3,777.48
(c) Deferred tax liabilities (Net)	8	**919.24**	818.57
(d) Non Financial Liabilities - Others	21	**4.89**	7.06
Total Non Current Liabilities		**6,004.97**	5,768.92
(2) **Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	22	**306.32**	374.35
(ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	22	**324.16**	199.31
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	**28,981.50**	32,079.79
(iii) Other Financial Liabilities	23	**12,951.10**	11,945.81
(b) Non Financial Liabilities - Others	24	**5,213.87**	5,948.14
(c) Provisions	25	**1,638.56**	504.33
(d) Current Tax Liabilities (Net)	26	**2,790.79**	2,778.19
Total Current Liabilities		**52,206.30**	53,829.92
Total Equity and Liabilities		**188,231.72**	185,184.98
Summary of significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

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

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in Lakhs)

	Note No.	For the Year Ended 31 March 2019	For the Year Ended 31 March 2018
Revenue			
I. Revenue from Operations	27	**177,520.27**	175,810.87
II. Other Income	28	**8,152.08**	7,093.46
III. [**Total Income (I+II)**]		**185,672.35**	182,904.33
IV. **Expenses**			
Cost of materials consumed & Services rendered	29	**110,529.72**	105,749.72
Purchase of Stock-in-Trade	30	**329.45**	712.43
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	31	**343.82**	1,199.19
Excise Duty on sales		**–**	3,303.94
Employee benefits expense	32	**21,247.08**	19,799.42
Finance costs	33	**555.74**	422.66
Depreciation and amortization expense	34	**2,671.90**	2,655.70
Other expenses	35	**21,984.16**	22,949.76
[Total expenses (IV)]		**157,661.87**	156,792.82
V. **Profit/(Loss) before exceptional items and tax (III-IV)**		**28,010.48**	26,111.51
VI. Exceptional Items		**–**	–
VII. **Profit/(Loss) before Tax (V-VI)**		**28,010.48**	26,111.51
VIII. Tax expense			
(1) Current Tax	36	**8,736.17**	6,092.00
(2) Deferred Tax	8	**424.13**	1,538.00
IX. **Profit/(Loss) for the period from Continuing Operations (VII-VIII)**		**18,850.18**	18,481.51
X. **Profit/(Loss) from Discontinued Operations**		**–**	–
XI. Tax expense of Discontinued Operations		**–**	–
XII. **Profit/(Loss) from Discontinued Operations (after Tax) (X-XI)**		**–**	–
XIII. **Profit/(Loss) for the period (IX+XII)**		**18,850.18**	18,481.51
XIV. **Other Comprehensive Income**	37		
A i) Items that will not be reclassified to profit and loss		**(925.66)**	238.88
ii) Income tax relating to items that will not be reclassified to profit or loss		**323.46**	(82.67)
B i) Items that will be reclassified to profit or loss		**–**	–
ii) Income tax relating to items that will be reclassified to profit or loss		**–**	–
XV. **Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)**		**18,247.98**	18,637.72
XVI. **Earnings per equity share (for continuing operation):**	38		
1) Basic (₹)		**16.53**	16.21
2) Diluted (₹)		**16.53**	16.21
XVII. **Earnings per equity share (for discontinued operation):**			
1) Basic (₹)		**0.00**	0.00
2) Diluted (₹)		**0.00**	0.00
XVIII. **Earnings per equity share (for discontinued and continuing operations):**			
1) Basic (₹)		**16.53**	16.21
2) Diluted (₹)		**16.53**	16.21
Summary of significant accounting policies	1		

The accompanying notes are integral part of the financial statements.
This is the statement of Profit and Loss referred to in our report of even date.
As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

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Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Kavita Bhavsar
Secretary

Kolkata, 28th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars		Year Ended 31 March 2019	Year Ended 31 March 2018
Cash flow from Operating Activities			
Net profit before tax		**28,010.48**	26,111.51
Adjustments for:			
Depreciation and Amortisation		**2,671.90**	2,655.70
Impairment of Assets		**19.36**	1,070.91
Write off/Provision for doubtful trade receivables (Net)		**(102.95)**	(2,908.96)
Write off/Provision for Inventories (Net)		**45.80**	(35.71)
Other Write off/Provision (Net)		**300.82**	2,814.43
(Gain)/ Loss on sale of fixed assets (Net)		**(6.02)**	11.04
(Gain)/ Loss on disposal/sale of Investments (Net)		**(634.49)**	-
Interest Income		**(2,831.30)**	(3,532.61)
Dividend Income		**(2,445.75)**	(1,824.21)
Finance costs		**555.74**	422.66
Operating Cash Flows before working capital changes		**25,583.59**	24,784.76
Changes in operating assets and liabilities (Working capital changes)			
(Increase)/Decrease in trade receivables		**(388.94)**	3,942.18
(Increase)/Decrease in non current assets		**(743.02)**	309.33
(Increase)/Decrease in Inventories		**(675.79)**	1,542.03
(Increase)/Decrease in other short term financial assets		**3,377.28**	(9,258.61)
(Increase)/Decrease in other current assets		**1,084.87**	798.90
Increase/(Decrease) in trade payables		**(3,017.84)**	1,595.51
Increase/(Decrease) in long term provisions		**237.00**	(1,801.82)
Increase/(Decrease) in short term provisions		**532.03**	(1,330.34)
Increase/(Decrease) in other liabilities		**927.00**	(916.94)
Increase/(Decrease) in other current liabilities		**(734.27)**	(857.49)
Cash flow generated from operations		**26,181.92**	18,807.51
Income taxes paid (Net of refunds)		**(8,723.57)**	(7,888.38)
Net Cash generated from operating activities	**A**	**17,458.35**	10,919.13
Cash flow from Investing Activities			
Purchase/Construction of Property, Plant and Equipment		**(13,262.81)**	(3,417.93)
Purchase of Investments		**(1,162.36)**	(5,102.90)
Proceeds on sale of Property, Plant and Equipment		**33.06**	22.77
Proceeds on disposal/sale of Investments		**1,630.71**	-
Bank deposits (having original maturity of more than three months) (Net)		**4,064.97**	4,754.16
Interest received		**2,831.30**	3,532.61
Dividend received		**2,445.75**	1,824.21
Net cash(used in)/generated from investing activities	**B**	**(3,419.38)**	1,612.93
Cash flow from financing activities			
Proceeds from borrowings		**-**	-
Repayment of long-term borrrowings		**(125.00)**	-
Dividend paid (including tax on dividend)		**(13,685.17)**	(9,647.14)
Loans taken		**1.92**	1,490.34
Loans given		**(120.00)**	(2,000.00)
Finance cost paid		**(555.74)**	(422.66)
Net cash (used in)/ generated from financing activities	**C**	**(14,483.99)**	(10,579.46)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**(445.02)**	1,952.59
Cash and Cash Equivalents at the beginning of the year		**5,059.07**	3,106.48
Cash and Cash Equivalents at the end of the year		**4,614.05**	5,059.07
Movement in Cash Balance		**(445.02)**	1,952.59
Reconciliation of Cash and Cash Equivalents as per cash flow statement			
Cash and Cash Equivalents as per above comprise of the following:			
Cash in hand		**3.75**	3.74
Balances with banks			
In current accounts		**4,610.30**	5,055.33
In deposits with original maturity upto 3 months		**-**	-
		4,614.05	5,059.07

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

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Director (Finance) & Chief Financial Officer

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Arun Tandon
Directors

Kavita Bhavsar
Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Bonus shares issued during the year	Balance at the end of reporting period
Equity Share Capital	11,400.25	–	11,400.25

B. Other Equity (₹ in Lakhs)

	Reserves and Surplus				
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income Reserve	Total
Balance as at 1 April 2017	**3,626.77**	**35,603.82**	**65,882.08**	**85.85**	**105,198.52**
Profit for the year	–	–	18,637.72	–	18,637.72
Bonus shares issued	–	–	–	–	–
Dividends paid	–	–	(7,980.18)	–	(7,980.18)
Dividend Tax paid	–	–	(1,669.77)	–	(1,669.77)
Transfers	–	–	–	–	–
Retained earnings adjustment	–	–	(0.41)	–	(0.41)
Remeasurement gain/(loss) during the year	–	–	(156.21)	156.21	–
Balance as at 31 March 2018	**3,626.77**	**35,603.82**	**74,713.24**	**242.06**	**114,185.89**
Balance as at 1 April 2018	**3,626.77**	**35,603.82**	**74,713.24**	**242.06**	**114,185.89**
Profit for the year	–	–	18,247.98	–	18,247.98
Bonus shares issued	–	–	–	–	–
Dividends paid	–	–	(11,400.26)	–	(11,400.26)
Dividend Tax paid	–	–	(2,413.43)	–	(2,413.43)
Transfers	–	–	–	–	–
Retained earnings adjustment	–	–	–	–	–
Remeasurement gain/(loss) during the year	–	–	602.20	(602.20)	–
Balance as at 31 March 2019	**3,626.77**	**35,603.82**	**79,749.73**	**(360.14)**	**118,620.19**

This is the Statement of Changes in Equity referred to in our report of even date.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
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Directors

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Secretary

Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2019

GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The Company is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government Company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

Basis of Preparation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies during the period presented. The Company's financial statements are prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lakhs of Rupees.

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 the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

The Standalone financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount.

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value.

1.2 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in-Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Property, plant & equipment

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Property, plant & equipment other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, plant & equipment, which have been refurbished / upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Property, plant & equipment, is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	6.67 years
Sofa, Photocopier, Fax machines, Motor Cars & Machine Spares	5 years

The residual values of all assets are taken as NIL.

1.3 Investment property

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

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

1.4 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- Financial Assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

1.5 Inventories

a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.

c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.

d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.

e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

1.6 Government grants

a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.7 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The applicable functional and presentation currency is INR.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

1.8 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors assesses the financial performance and position of the Company, and makes strategic decisions and have identified business segment as its primary segment.

1.9 Provisions, Contingent liabilities and Capital commitments

a) Provision is recognised 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 in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.

b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.

c) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

1.10 Intangible assets

a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.

b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.

c) Goodwill on acquisition is not amortised but tested for impairment annually.

d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

1.11 Accounting for Research & Development

a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.

b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

1.12 Treatment of Grant / Subsidy

a) Revenue grant/subsidy in respect of

research & development expenditure is set off against respective expenditure.

b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.

c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.

d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

1.13 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

1.14 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.15 Leases

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

1.16 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

Sale of goods

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Services rendered

a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.

b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.

c) In cases where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

Other income

a) Interest on a time proportion basis using the effective Interest rate method

b) Dividend from investments in shares on establishment of the Company's right to receive.

c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement.

d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The company accounts for volume discounts and pricing incentives to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the company.

As a practical expedient, as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

Significant payment terms:

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

1.17 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

1.18 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.19 Employee Benefits

(i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet

(ii) Post-employment obligations

Defined Contribution Plans

Provident Fund : the company transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund : the company contributes a sum equivalent to 8% of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

1.20 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

a) Restating the comparative amounts for the prior period(s) presented in which the error occurred; or

b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

c) Any items exceeding rupees twenty five lakhs (₹ 25 Lakhs) shall be considered as material prior period item.

d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior period for which retrospective restatement is practicable (which may be the current period) .

1.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE NO. 2

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Property, Plant and Equipment												
	Land - Freehold	Land - Leasehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles	Total
Gross Block													
Balance as at 1 April 2018	2,419.41	3,203.81	15,219.43	17,157.99	29.06	2,870.27	808.05	1,841.31	1,804.58	621.68	238.33	376.47	46,590.40
Additions	–	–	572.77	854.06	4.71	298.74	25.64	232.67	266.96	90.59	376.11	26.51	2,748.77
Inter Asset Adjustment	–	–	–	–	–	–	–	–	–	–	–	–	–
Disposal of assets	–	–	0.17	50.57	12.55	60.62	34.96	15.85	1.55	0.16	–	40.11	216.54
Gross Block as at Mar 31 2019	**2,419.41**	**3,203.81**	**15,792.03**	**17,961.48**	**21.22**	**3,108.39**	**798.73**	**2,058.13**	**2,069.99**	**712.12**	**614.44**	**362.87**	**49,122.64**
Accumulated Depreciation													
Balance as at 1 April 2018	–	189.47	1,200.11	2,509.96	20.04	947.54	229.16	942.76	463.87	222.64	62.82	322.00	7,110.37
Depreciation charge for the year	–	63.53	415.28	846.69	2.82	375.82	101.13	364.39	203.02	84.01	29.74	28.16	2,514.59
Impairment	–	–	5.82	13.54	–	–	–	–	–	–	–	–	19.36
Inter Asset Adjustment	–	–	–	–	–	0.34	–	(0.34)	–	–	–	–	–
Disposal of assets	–	–	0.13	40.87	12.55	57.17	28.05	14.77	1.16	0.16	–	34.64	189.50
Accumulated Depreciation as at March 31, 2019	**–**	**253.00**	**1,621.08**	**3,329.32**	**10.31**	**1,266.53**	**302.24**	**1,292.04**	**665.73**	**306.49**	**92.56**	**315.52**	**9,454.82**
Net Block as at Mar 31 2019	**2,419.41**	**2,950.81**	**14,170.95**	**14,632.16**	**10.91**	**1,841.86**	**496.49**	**766.09**	**1,404.26**	**405.63**	**521.88**	**47.35**	**39,667.82**
Net Block as at Mar 31 2018	**2,419.41**	**3,014.34**	**14,019.32**	**14,648.04**	**9.02**	**1,922.73**	**578.89**	**898.55**	**1,340.71**	**399.04**	**175.51**	**54.47**	**39,480.03**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE NO. 3
INVESTMENT PROPERTIES

(₹ in Lakhs)

Gross carrying amount (Deemed Cost)	
As at 1 April 2017	66.14
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	52.27
Balance as at 31 March 2018	**118.41**
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	-
Balance as at 31 March 2019	**118.41**
Accumulated Depreciation	
At 1 April 2017	4.26
Depreciation charge for the year	1.45
Disposals/adjustments for the year	-
Investment Property - Reclassified	(0.84)
Balance as at 31 March 2018	**4.87**
Depreciation charge for the year	2.16
Disposals/adjustments for the year	-
Investment Property - Reclassified	-
Balance as at 31 March 2019	**7.03**
Net book value as at 31 March 2019	**111.39**
Net book value as at 31 March 2018	**113.54**

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets.

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2019 or previous year ended 31 March 2018.

(iii) Restrictions

There are no restrictions on remittance of income receipts or receipt of proceeds from disposals.

(iv) Amount recognised in profit and loss for investment properties

(₹ in Lakhs)

	31 March 2019	31 March 2018
Rental income	**244.40**	176.13
Less:-Direct operating expenses that generated rental income	**201.01**	47.44
Less:-Direct operating expenses that did not generated rental income	**103.78**	96.79
Profit/(Loss) from leasing of investment properties	**(60.38)**	31.90

(v) **Leasing arrangements**

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

(vi) **Fair value**

(₹ in Lakhs)

Particulars	**31 March 2019**	31 March 2018
Fair value	**4,168.59**	4,168.59

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

b) discounted cash flow projections based on reliable estimates of future cash flows.

c) restrictions on remittance of income receipts or receipt of proceeds from disposals.

d) capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

e) The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

NOTE NO. 4

INTANGIBLES ASSETS

(₹ in Lakhs)

	Goodwill	Softwares	Brand Value	Total
Gross Carrying Amount				
Balance as at 1 April 2017	689.32	646.24	332.63	1,668.20
Additions	–	98.94	–	98.94
Disposals/adjustments	–	0.01	–	0.01
Balance as at 31 March 2018	**689.32**	**745.19**	**332.63**	**1,767.15**
Additions	–	18.96	–	18.96
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2019	**689.32**	**764.15**	**332.63**	**1,786.11**
Accumulated Amortization				
Balance as at 1 April 2017	–	273.28	76.00	349.28
Amortization charge for the year	–	163.28	38.00	201.28
Disposals/adjustments for the year	–	–	–	–
Impairment	689.32	–	–	689.32
Balance as at 31 March 2018	**689.32**	**436.56**	**114.00**	**1,239.88**
Amortization charge for the year	–	117.15	38.00	155.15
Disposals/adjustments for the year	–	–	–	–
Impairment	–	–	–	–
Balance as at 31 March 2019	**689.32**	**553.71**	**152.00**	**1,395.03**
Net Book value as at 31 March 2019	–	**210.44**	**180.63**	**391.08**
Net Book value as at 31 March 2018	–	**308.63**	**218.63**	**527.27**

NOTE NO. 5

FINANCIAL ASSETS-INVESTMENTS (NON-CURRENT)

(Unquoted, unless otherwise stated)

(₹ in Lakhs)

Name of the Body Corporate	As at 31 March 2019		As at 31 March 2018	
	No of Shares	Amount	No of Shares	Amount
(A) Trade Investments				
Investment in Equity Instruments				
(Fully paid stated at Cost)				
(i) In Joint Venture Companies				
Balmer Lawrie -Van Leer Ltd.	**8,601,277**	**3,385.03**	8,601,277	3,385.03
(Ordinary Equity Shares of ₹ 10 each)				
Transafe Services Ltd.	**11,361,999**	**1,165.12**	11,361,999	1,165.12
(Ordinary Equity Shares of ₹ 10 each)				
(Carried in books at a nominal value of ₹ 1 only)				
Less: Provision for diminution in value		**(1,165.12)**		(1,165.12)
Balmer Lawrie (UAE) LLC	**9,800**	**890.99**	9,800	890.99
(Ordinary Equity Shares of AED 1000 each)				
PT BALMER LAWRIE INDONESIA*	**2,000,000**	**1,027.32**	–	–
(Equity Shares of par value of Indonesian Rupiah (IDR) 10,000 each)				
(ii) In Subsidiary Companies				
Balmer Lawrie (UK) Ltd.*	**100**	**0.06**	1,797,032	996.28
(Ordinary Equity Shares of GBP 1 each)				
Vishakapatnam Port Logistics Park Ltd.	**81,038,978**	**8,103.90**	81,038,978	8,103.90
(Ordinary Equity Shares of each ₹ 10 each)				
(iii) In Associate Company				
AVI-OIL India (P) Ltd.	**4,500,000**	**450.00**	4,500,000	450.00
(Ordinary Equity shares of ₹ 10 each)				
Investments in Preference Shares				
(Fully paid stated at Cost)				
Transafe Services Ltd.	**13,300,000**	**1,330.00**	13,300,000	1,330.00
(Cumulative Redeemable Preference shares of ₹ 10 each)				
Less: Provision for diminution in value		**(1,330.00)**		(1,330.00)
Sub Total		**13,857.30**		13,826.20
(B) Other Investments				
Bridge & Roof Co. (India) Ltd. **	**3,57,591**	**14.01**	3,57,591	14.01
(Equity Shares of ₹ 10 each)				
Biecco Lawrie Ltd. **	**195,900**	**–**	195,900	–
(Equity Shares of ₹ 10 each)				
(Carried in books at a nominal value of ₹ 1 only, net of Provision for dimunution in value)				
RC Hobbytech Solutions Pvt.Ltd.	**5,555**	**74.99**	-	-
(Equity Shares of ₹ 1350 each)				
Kanpur Flowercycling Pvt. Ltd.	**626**	**60.05**	-	-
(Equity Shares of ₹ 10 each)				
Woodlands Multispeciality Hospitals Ltd.	**8,850**	**0.45**	8,850	0.45
(Equity Shares of ₹ 5 each)				
Sub Total		**149.50**		14.46
Total		**14,006.80**		13,840.66
Aggregate amount of quoted investments at Cost		**–**		–
Aggregate amount of unquoted investments at cost		**14,006.80**		13,840.66
Total		**14,006.80**		13,840.66

* Refer details given in Note No. 40.29 of the notes to accounts for the year.

**These investments are carried at fair value through Profit and Loss and their carrying value approximates their fair value.

NOTE NO. 6

FINANCIAL ASSSETS- LOANS (NON-CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Loans		
Secured considered good		
Security Deposits	–	–
Loans to Related Parties	–	–
Key Managerial Persons (KMP)	–	–
Other Loans	**240.89**	248.29
Unsecured considered good		
Security Deposits	–	–
Loans to Related Parties		
Transafe Services Ltd	**180.00**	180.00
Other Loans	–	–
Doubtful		
Security Deposits	–	–
Loans to Related Parties		
Balmer Lawrie Van Leer Ltd	–	–
Others to Related Parties	**8.25**	8.25
Others	–	–
Provision for doubtful Loans		
Security Deposits		
Loans to Related Parties	–	–
Others to Related Parties	**(8.25)**	(8.25)
Other doubtful	–	–
Total	**420.89**	428.29

NOTE NO. 7

FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Accrued Income	-	-
Security Deposits	**690.46**	496.06
Other Receivables	**84.81**	58.55
Dues from Related Parties - Doubtful		
Transafe Services Ltd.	**80.87**	80.87
Less: Provision	**(80.87)**	(80.87)
Total	**775.27**	554.61

NOTE NO. 8
DEFERRED TAX

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Deferred tax liability arising on account of :		
Property, Plant and Equipment	**(6,157.70)**	(5,089.96)
Deferred tax asset arising on account of :		
Adjustment for VRS expenditure	**118.49**	299.05
Provision for loans, debts, deposits & advances	**2,885.22**	2,135.48
Defined benefit plans	**1,221.38**	718.82
Provision for Inventory	**139.88**	122.81
Provision for dimunition in investment	**871.89**	863.17
Impairment of assets	**6.77**	132.06
Others	**(5.17)**	–
Total	**(919.24)**	(818.57)

Movement in deferred tax liabilities/assets

Particulars	As at 31 March 2018	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2019
Property, Plant and Equipment	(5,089.96)	(1,067.74)	–	**(6,157.70)**
Adjustment for VRS expenditure	299.05	(180.56)	–	**118.49**
Provision for loans, debts, deposits & advances	2,135.48	749.74	–	**2,885.22**
Defined benefit plans	718.82	179.10	323.46	**1,221.38**
Provision for Inventory	122.81	17.07	–	**139.88**
Provision for dimunition in investment	863.17	8.72	–	**871.89**
Impairment of assets	132.06	(125.29)	–	**6.77**
Others	–	(5.17)	–	**(5.17)**
Total	**(818.57)**	**(424.13)**	**323.46**	**(919.24)**

NOTE NO. 9
NON FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Capital Advances	**160.84**	88.11
Balances with Government Authorities	**235.63**	263.13
Prepaid Expenses	**3,279.27**	3,026.88
Advances to Contractors & Suppliers	-	-
Recoverable from Government	-	-
Others	**83.29**	101.88
Total	**3,759.03**	3,480.00

NOTE NO. 10
INVENTORIES

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Raw Materials and components	**9,352.96**	8,556.08
Goods-in-transit	**-**	1.00
Slow moving & Non moving	**168.45**	175.09
Less: Adjustment for Slow moving & Non moving	**(121.06)**	(131.12)
Total - Raw Materials and Components	**9,400.35**	8,601.05
Work in Progress	**966.40**	1,286.44
Goods-in-transit	**-**	-
Slow moving & Non moving	**-**	1.38
Less: Adjustment for Slow moving & Non moving	**-**	(0.75)
Total - Work in Progress	**966.40**	1,287.07
Finished goods	**2,882.55**	2,933.91
Goods-in-transit	**120.74**	114.22
Slow moving & Non moving	**199.05**	150.58
Less: Adjustment for Slow moving & Non moving	**(118.09)**	(91.31)
Total - Finished Goods	**3,084.25**	3,107.40
Trading Goods		
Goods-in-transit	**-**	-
Slow moving & Non moving	**-**	-
Less: Adjustment for Slow moving & Non moving	**-**	-
Total - Trading Goods	**-**	-
Stores and Spares	**770.82**	625.03
Goods-in-transit	**-**	-
Slow moving & Non moving	**232.64**	174.44
Less: Adjustment for Slow moving & Non moving	**(161.15)**	(131.67)
Total - Stores & Spares	**842.31**	667.80
Loose Tools	**-**	-
Goods-in-transit	**-**	-
Slow moving & Non moving	**-**	-
Less: Adjustment for Slow moving & Non moving	**-**	-
Total - Loose Tools	**-**	-
Others - (W.I.P. Turn Key Project)	**-**	-
Goods-in-transit	**-**	-
Slow moving & Non moving	**-**	-
Less: Adjustment for Slow moving & Non moving	**-**	-
Total - Others - (W.I.P. Turn Key Project)	**-**	-
Total	**14,293.31**	13,663.32

[Refer to Point No.1.5 of “Significant Accounting Policies” for method of valuation of inventories]

NOTE NO. 11

TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Considered good - Secured	-	-
Considered good - Unsecured	**27,619.22**	27,127.33
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	**1,279.07**	809.62
Less: Provision for Impairment	**(1,279.07)**	(809.62)
Grand Total	**27,619.22**	27,127.33
Trade receivables outstanding for a period less than six months		
Considered good - Secured	-	-
Considered good - Unsecured	**24,928.52**	25,094.08
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	**81.90**	4.64
Less: Provision for Impairment	**(81.90)**	(4.64)
Sub Total	**24,928.52**	25,094.08
Trade receivables outstanding for a period exceeding six months		
Considered good - Secured	-	-
Considered good - Unsecured	**2,690.70**	2,033.25
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	**1,197.17**	804.98
Less: Provision for Impairment	**(1,197.17)**	(804.98)
Sub Total	**2,690.70**	2,033.25
Total	**27,619.22**	27,127.33

NOTE NO. 12

CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Cash in hand	**3.75**	3.74
Cheques in hand	**—**	—
Balances with Banks - Current Account	**4,610.30**	5,055.33
Total	**4,614.05**	5,059.07

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

NOTE NO. 13

OTHER BANK BALANCES

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Unclaimed Dividend Accounts	**363.19**	234.67
Bank Term Deposits	**38,630.13**	42,703.13
Margin Money deposit with Banks	**77.79**	69.76
Total	**39,071.11**	43,007.56

NOTE NO. 14

FINANCIAL ASSETS - LOANS (CURRENT)

(₹ in Lakhs)

		As at 31 March 2019		As at 31 March 2018
Loans Receivables				
Loans Receivables Considered good - Secured				
Security Deposits		-		-
Loans to Related Parties		-		-
Other Loans (to employees)		**53.45**		85.01
Loans Receivables Considered good - Unsecured				
Security Deposits				
Advances to Related Parties *				
Balmer Lawrie Investments Ltd.	-		-	
Pt. Balmer Lawrie Indonesia	27.95		31.33	
Balmer Lawrie Van Leer Ltd.	55.41		-	
Transafe Services Ltd.	353.48		86.76	
Visakhapatnam Port Logistics Park Ltd.	341.91		2035.29	
Balmer Lawrie UAE LLC.	51.77		51.33	
		830.52		2,204.71
Other Loans and advances (to employees)		**30.70**		19.61
Other Loans and advances		**389.99**		158.04
Loans Receivables which have significant increase in credit risk		-		-
Loans Receivables- credit impaired		-		-
Doubtful				
Security Deposits				
Loans to Related Parties		-		-
Others to Related Parties				
Provision for doubtful Loans		-		-
Security Deposits		-		-
Loans to Related Parties		-		-
Others to Related Parties		-		-
Total		**1,304.66**		2,467.37

* Advances to related parties are in the course of regular business transactions.

NOTE NO. 15
OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Unsecured		
Accrued Income	**2,226.70**	2,240.70
Security Deposits	**908.38**	810.36
Other Receivables - considered good	**21,640.30**	24,119.72
Other Receivables - considered doubtful	**2,758.79**	2,219.34
Less - Provision for doubtful Receivables	**(2,758.79)**	(2,219.34)
Total	**24,775.38**	27,170.78

NOTE NO. 16
NON FINANCIAL ASSETS - OTHERS (CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Capital Advances	**-**	-
Balances with Government Authorities	**915.52**	1,188.48
Prepaid Expenses	**685.65**	783.53
Advances to Contractors & Suppliers - Considered Good	**2,011.60**	1,706.64
Advances to Contractors & Suppliers - Considered Doubtful	**716.06**	823.85
Less : Provision for Doubtful Advances to Contractors & Suppliers	**(716.06)**	(823.85)
Recoverable from Government	-	-
Other Advances to Related Parties	**317.31**	311.95
Others	**1,797.15**	2,950.02
Total	**5,727.23**	6,940.62

NOTE NO. 17
EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Authorised capital		
300,000,000 (Previous Year 120,000,000) equity shares of ₹ 10 each	**30,000.00**	12,000.00
	30,000.00	12,000.00
Issued and Subscribed Capital		
114,002,564 (Previous Year 114,002,564) equity shares of ₹ 10 each	**11,400.25**	11,400.25
	11,400.25	11,400.25
Paid-up Capital		
114,002,564 (Previous Year 114,002,564) equity shares of ₹ 10 each	**11,400.25**	11,400.25
	11,400.25	11,400.25

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2019		As at 31 March 2018	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	**114,002,564**	**11,400.25**	114,002,564	11,400.25
Bonus shares issued during the year	**—**	**—**	—	—
Equity shares at the end of the year	**114,002,564**	**11,400.25**	114,002,564	11,400.25

b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

c) Details of shareholders holding more than 5% shares in the Company (equity shares of ₹ 10 each fully paid up)

Particulars of the Shareholder	**As at 31 March 2019**		As at 31 March 2018	
	No of shares	**% holding**	No of shares	% holding
Balmer Lawrie Investments Ltd.	**70,452,900**	**61.80%**	70,452,900	61.80%

i) There are no other shareholders holding 5% or more in the issued share capital of the Company.

NOTE NO. 18

OTHER EQUITY

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Securities Premium	**3,626.77**	3,626.77
General Reserve	**35,603.82**	35,603.82
Retained Earnings	**79,749.73**	74,713.24
Other Comprehensive Income Reserve	**(360.14)**	242.06
Total (Other Equity)	**118,620.19**	114,185.89

	As at 31 March 2019	As at 31 March 2018
Securities Premium		
Opening balance	**3,626.77**	3,626.77
Add: Shares issued during the year	**—**	—
Sub total (A)	**3,626.77**	3,626.77
General Reserve		
Opening balance	**35,603.82**	35,603.82
Less : Bonus Shares issued during the year	**—**	—
Amount transferred from Retained Earnings	**—**	—
Sub total (B)	**35,603.82**	35,603.82

Retained Earnings		
Opening balance	**74,713.24**	65,882.08
Add : Net Profit/(Loss) for the year	**18,247.98**	18,637.72
Less : Appropriations		
Transfer to General Reserve	**–**	–
Equity Dividend	**(11,400.26)**	(7,980.18)
Tax on Equity Dividend	**(2,413.43)**	(1,669.77)
Re-measurement Gain/(Loss)	**602.20**	(156.21)
Other adjustments	**–**	(0.41)
Net surplus in Retained Earnings (C)	**79,749.73**	74,713.24
Other Comprehensive Income Reserve		
Opening balance	**242.06**	85.85
Movement during the year	**(602.20)**	156.21
Sub total (D)	**(360.14)**	242.06
Total of Other Equity (A+B+C+D)	**118,620.19**	114.185.89

Nature and Purposes of Reserves within Other Equity

Securities Premium

Securities Premium represents premium received on issue of shares. This shall be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained Earnings are the portion of company's net income that is left out after distributing dividends to shareholders. These are kept aside by the company for reinvesting it in the main business.

Other Comprehensive Income (OCI) Reserve

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income.

NOTE NO. 19

NON CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Financial Liabilities (Non - Current)		
Borrowings*	**1,060.94**	1,115.99
Trade Payables		
Payable to micro and small enterprises	**–**	–
Other Trade Payables	**–**	–
Other Financial Liabilities		
Deposits	**5.42**	49.82
Other Liabilities	**–**	–
	5.42	49.82
Total	**1,066.36**	1,165.81

*Borrowings - The Company has availed Term Loan of ₹ 15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant-in-aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 equal instalments starting from 18 months from the date of first drawal.

NOTE NO. 20

PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Actuarial Provision	**2,101.81**	1,942.85
Long term Provisions	**1,912.67**	1,834.63
Total	**4,014.48**	3,777.48

NOTE NO. 21

NON FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Long term Payable	-	-
Capital Advances	-	-
Income Received in Advance	-	-
Advance from Customers	**3.55**	3.55
Recoverable from Government	-	-
Others	**1.34**	3.51
Total	**4.89**	7.06

NOTE NO. 22

(₹ in Lakhs)

CURRENT LIABILITIES

FINANCIAL LIABILITIES (CURRENT)

	As at 31 March 2019	As at 31 March 2018
Borrowings*	**306.32**	374.35
Trade Payables		
Payable to micro and small enterprises	**324.16**	199.31
Other Trade Payables	**28,981.50**	32,079.79
Total	**29,305.66**	32,279.10
	29,611.98	32,653.45

* Borrowings - Refer details given in Note No.19

NOTE NO. 23
OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Unclaimed Dividend *	**363.19**	234.67
Security Deposits	**2,462.59**	2,407.92
Payable to Related Party		
Balmer Lawrie (UK) Ltd.	**1,027.32**	-
Other Liabilities	**9,098.00**	9,303.22
Total	**12,951.10**	11,945.81

* There is no amount due and outstanding as at Balance Sheet date to be credited to Investor Education and Protection Fund

NOTE NO. 24
NON FINANCIAL LIABILITIES - OTHERS (CURRENT)

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Income Received in Advance	**-**	-
Advance from Customers	**1,141.58**	1,247.06
Statutory Dues	**487.22**	561.34
SDC credit Balance	**-**	-
Deferred Gain/Income	**168.43**	181.66
Other Liabilities	**3,416.64**	3,958.08
Total	**5,213.87**	5,948.14

NOTE NO. 25
CURRENT PROVISIONS

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Actuarial Provision	**432.19**	341.39
Short term Provisions	**1,206.37**	162.94
Total	**1,638.56**	504.33

NOTE NO. 26
CURRENT TAX LIABILITIES

(₹ in Lakhs)

	As at 31 March 2019	As at 31 March 2018
Dividend Distribution Tax	**-**	-
Provision for Taxation (Net of Advance Tax)	**2,790.79**	2,778.19
Total	**2,790.79**	2,778.19

NOTE NO. 27
REVENUE FROM OPERATIONS

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of Products	105,997.18	106,738.72
Less: Excise Duty	-	(3,303.94)
Sale of Goods (Net of Excise Duty)	105.997.18	103,434.78
Sale of Services	64,966.03	66,130.07
Sale of Trading Goods	329.45	714.68
Sale of Turnkey Projects	-	-
Other Operating Income	6,227.61	5,531.34
Total	177,520.27	175,810.87

NOTE NO. 28
OTHER INCOME

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Income		
Bank Deposits	2,752.32	2,747.18
Others	232.75	138.95
Sub Total	2,985.07	2,886.13
Dividend Income	2,410.21	2,059.21
Net gain / (loss) on sale of investments	-	-
Sub Total	2,410.21	2,059.21
Other Non-operating Income		
Profit on Disposal of Fixed assets	22.28	14.04
Profit on Disposal of Investments	634.49	-
Unclaimed balances and excess provision written back	1,068.77	1,389.06
Gain on Foreign Currency Transactions (net)	366.57	265.80
Mark to Market of Derivative asset	-	-
Miscellaneous Income	664.69	479.22
Sub Total	2,756.80	2,148.12
Total	8,152.08	7,093.46

NOTE NO. 29
COST OF MATERIALS CONSUMED & SERVICES RENDERED

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cost of Materials Consumed	74,752.68	68,601.55
Cost of Services Rendered	35,777.04	37,148.17
Total	110,529.72	105,749.72

NOTE NO. 30
PURCHASE OF TRADING GOODS

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Trading Goods	329.45	712.43
Total	329.45	712.43

NOTE NO. 31
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Change in Trading Goods		
Opening	-	-
Closing	-	-
Change	-	-
Change in Work In Progress		
Opening	1,287.07	1,104.66
Closing	966.40	1,287.07
Change	320.67	(182.41)
Change in Finished Goods		
Opening	3,107.40	4,489.00
Closing	3,084.25	3,107.40
Change	23.15	1,381.60
Change in WIP turn key project		
Opening	-	-
Closing	-	-
Change	-	-
Total	343.82	1,199.19

NOTE NO. 32
EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and Incentives	17,444.13	16,053.86
Contributions to Provident & Other Funds	2,187.10	2,266.96
Social security and other benefit plans for overseas employees	-	-
Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
Staff Welfare Expenses	1,615.85	1,478.60
Total	21,247.08	19,799.42

NOTE NO. 33
FINANCE COSTS

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest	**401.64**	288.61
Bank Charges*	**154.10**	134.05
Applicable net gain / (loss) on foreign currency transactions and translations	**-**	-
Total	**555.74**	422.66

* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

NOTE NO. 34
DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on:		
Property Plant & Equipment	**2,514.59**	2,452.97
Investment Properties	**2.16**	1.45
Amortization of Intangible Assets	**155.15**	201.28
Total	**2,671.90**	2,655.70

NOTE NO. 35
OTHER EXPENSES

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Manufacturing Expenses	**1,677.42**	1,493.78
Consumption of Stores and Spares	**889.24**	896.69
Repairs & Maintenance - Buildings	**275.54**	611.36
Repairs & Maintenance - Plant & Machinery	**414.73**	367.64
Repairs & Maintenance - Others	**559.92**	571.95
Power & Fuel	**2,561.96**	2,342.02
Electricity & Gas	**407.47**	406.82
Rent	**1,369.77**	1,043.64
Insurance	**270.21**	249.90
Packing, Despatching, Freight and Shipping Charges	**4,256.78**	4,484.51
Rates & Taxes	**160.59**	111.23
Auditors Remuneration and Expenses	**24.02**	23.58
Impairment of assets	**19.36**	1,070.91
Write Off of Debts ,Deposits, Loan & Advances	**481.97**	3,098.92
Provision for Doubtful Debts & Advances	**1,561.07**	1,132.84
Fixed Assets Written Off	**12.40**	16.05
Loss on Disposal of Fixed Assets	**3.86**	9.37
Selling Commission	**409.89**	680.03
Cash Discount	**340.22**	309.27
Travelling Expenses	**975.50**	963.02

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Printing and Stationery	**296.23**	231.66
Motor Car Expenses	**153.71**	153.61
Communication Charges	**286.48**	328.08
Corporate Social Responsibility Expenditure	**516.24**	438.34
Miscellaneous Expenses	**4,835.44**	4,887.65
	22,760.02	25,922.87
Less: Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful earlier, now written back	**(775.86)**	(2,973.11)
Total	**21,984.16**	22,949.76
Payment to Auditors as :		
Statutory / Branch Auditor	**18.88**	18.90
Tax Audit	**0.85**	0.85
Other Certification	**2.00**	2.10
Reimbursement of Expenses	**2.29**	1.73
Total Payment to Auditors	**24.02**	23.58

NOTE NO. 36

TAX EXPENSE

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax	**9,479.39**	7,371.00
Deferred tax	**424.13**	1,538.00
Prior period	**(743.22)**	(1,279.00)
Total	**9,160.30**	7,630.00

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 34.944% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	**28,010.48**	26,111.51
At country's statutory income tax rate of 34.944% (31 March 2018: 34.608%)	**34.944%**	34.608%
Tax Expense	**9,787.98**	9,036.67
Adjustments in respect of current income tax		
Exempt Dividend Income	**(265.14)**	(128.65)
Foreign Dividend Income, taxed at a different rate	**(288.54)**	(292.00)
Non-deductible expenses for tax purposes		
Provisions (net)	**556.43**	(481.15)
CSR Expenses	**180.39**	151.70
Gratuity Liability of previous year paid in current year	**—**	(652.99)
VRS Expenses	**(183.46)**	(188.70)
Depreciation Difference	**6.48**	(52.28)
Share of results of associates and joint ventures	**—**	—
Impairment of asset	**6.77**	132.06
Additional Deduction for R&D expenses in income tax	**(321.52)**	(153.66)
Adjustments in respect of Previous years income tax	**(743.22)**	(1,279.00)
Deferred tax impact on revised profit	**—**	—
Total	**8,736.17**	6,092.00

NOTE NO. 37

OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
(A) Items that will not be reclassified to profit or loss		
(i) Re-measurement gains/ (losses) on defined benefit plans	**(925.66)**	238.88
(ii) Income tax relating to items that will not be reclassified to profit or loss	**323.46**	(82.67)
(B) Items that will be reclassified to profit or loss		
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
Total	**(602.20)**	156.21

NOTE NO. 38

EARNINGS PER EQUITY SHARE

(₹ in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net profit attributable to Equity shareholders		
Profit after tax	**18,850.18**	18,481.51
Profit attributable to Equity holders of the parent adjusted for the effect of dilution	**18,850.18**	18,481.51
Nominal value of Equity share (₹)	**10**	10
Weighted-average number of Equity shares for EPS (Nos.)	**114,002,564**	114,002,564
Basic/Diluted earnings per share (₹)	**16.53**	16.21

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Face value of the shares is ₹ 10.

NOTE NO. 39

ACCOUNTING FOR EMPLOYEE BENEFITS

Defined Contribution Plans

The disclosures are made consequent to adoption of IND AS 19 on Employee Benefits, notified by the Ministry of Corporate Affairs, by the Company. Defined Benefit(s) Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain/loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1,142.24 Lakhs (₹ 1,141.58 Lakhs); Superannuation fund ₹ 629.07 Lakhs (₹ 602.96 Lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 16.39 Lakhs (₹ 22.26 Lakhs).

Defined Benefit Plans

Post Employment Benefit Plans

A. *Gratuity*

The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the Company by way of transfer of requisite amount to the fund.

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

(₹ in Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Defined benefit obligation	**5,931.59**	5,531.35
Fair value of plan assets	**5,248.30**	5,508.91
Net defined benefit obligation	**683.28**	22.44

(i) The movement of the Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening value of defined benefit obligation	**5,531.35**	5,835.57
Add: Current service cost	**350.24**	326.51
Add: Current interest cost	**386.22**	437.68
Plan amendment : Vested portion at end of period(past service)	**–**	–
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	**–**	–
- changes in experience adjustment	**443.68**	(147.36)
- changes in financial assumptions	**119.13**	(219.42)
Less: Benefits paid	**(899.02)**	(701.64)
Closing value of defined benefit obligation thereof-	**5,931.59**	5,531.35
Unfunded	**683.28**	22.44
Funded	**5,248.30**	5,508.91

(ii) The defined benefit obligation in respect of gratuity plan was determined using the following actuarial assumptions:

Assumptions	As at 31-Mar-19	As at 31-Mar-18
Discount rate (per annum)	**7.60%**	7.98%
Rate of increase in compensation levels/Salary growth rate	**6.00%**	6.00%
Expected average remaining working lives of employees (years)	**11**	12

(iii) The reconciliation of the plan assets held for the Company's defined benefit plan from beginning to end of reporting period is presented below:

(₹ in Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening balance of fair value of plan assets	**5,508.91**	4,023.43
Add: Contribution by employer	**460.64**	1,887.22
Return on Plan Assets excluding Interest Income	**(240.90)**	(21.17)
Add: Interest income	**418.68**	321.07
Less: Benefits paid	**(899.02)**	(701.64)
Closing balance of Fair Value of Plan Assets	**5,248.30**	5,508.91

(iv) Expense related to the Company's defined benefit plans in respect of gratuity plan is as follows:

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Actuarial (gain)/loss on obligations-change in demographic assumptions	–	–
Actuarial (gain)/loss on obligations-change in financial assumptions	119.13	(219.42)
Actuarial (gain)/loss on obligations-experience adjustment	443.68	(147.36)
Return on Plan Assets excluding Interest Income	(240.90)	(21.17)
Total expense/(income)recognized in the Statement of Other Comprehensive Income	803.70	(345.61)

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	350.24	326.51
Past service cost (vested)	–	–
Net Interest cost (Interest Cost-Expected return)	(32.46)	116.61
Total expense recognized in the Statement of Profit & Loss	317.78	443.13

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31-Mar-19	As at 31-Mar-18
Defined benefit obligation	5,931.59	5,531.35
Classified as:		
Non-Current	4,890.65	4,771.63
Current	1,040.94	759.72

(₹ in Lakhs)

	As at 31-Mar-19	As at 31-Mar-18
Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns. The return on plan assets was	177.78	299.90

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group Companies. Plan assets can be broken down into the following major categories of investments:

Particulars	As at 31-Mar-19	As at 31-Mar-18
Government of India securities/ State Government securities	46.61%	46.30%
Corporate bonds	47.24%	47.59%
Others	6.15%	6.11%
Total Plan Assets	100.00%	100.00%

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in the statement of comprehensive income.

(vi) **Sensitivity Analysis**

The significant actuarial assumption for the determination of defined benefit obligation in respect of gratuity plans is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

(₹ in Lakhs)

Particulars	31 March 2019	
	Increase	Decrease
Changes in Discount rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,776**	**6,096**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**(156)**	**164**
Changes in Salary growth rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**6,034**	**5,832**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**102**	**(100)**
Changes in Attrition rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,936**	**5,928**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**4**	**(4)**
Changes in Mortality rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,962**	**5,901**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**30**	**(31)**

(₹ in Lakhs)

Particulars	31-March-18	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	5,382	5,689
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	(149)	157
Changes in Salary growth rate in %	0.50	0.50
Defined benefit obligation after change	5,625	5,441
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	93	(90)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	5,535	5,528
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	4	(4)

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	5,561	5,501
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	30	(30)

B. ***Post Retirement Medical Benefits Scheme (Non-funded)***

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependent spouse, parents and children as per applicable rules.

(₹ in Lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening value of defined benefit obligation	376.60	348.71
Add: Current service cost		
Add: Current interest cost	24.19	23.73
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	—	—
- changes in experience adjustment	109.91	127.47
- changes in financial assumptions	12.05	(20.74)
Less: Benefits paid	(116.62)	(102.57)
Closing value of defined benefit obligation	406.13	376.60
Thereof -		
Unfunded	406.13	376.60
Funded	—	—

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Actuarial (gain)/loss on obligations-change in demographic assumptions	**—**	—
Actuarial (gain)/loss on obligations-change in financial assumptions	**12.05**	(20.74)
Actuarial (gain)/loss on obligations-Experience Adjustment	**109.91**	127.47
Total expense/(income) recognized in the statement of Other Comprehensive Income	**121.96**	106.73

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	**—**	—
Net Interest cost (Interest Cost-Expected return)	**24**	24
Total expense recognized in the Statement of Profit & Loss	**24**	24

Assumptions	**As at 31-Mar-19**	As at 31-Mar-18
Discount rate (per annum)	**7.60%**	7.98%
Superannuation age	**60**	60
Early retirement & disablement	**1.00%**	1.00%

(₹ in Lakhs)

Amount recognised in Balance Sheet	**As at 31-Mar-19**	As at 31-Mar-18
Defined benefit obligation	**406.13**	376.60
Classified as:		
Non-Current	**341.36**	316.78
Current	**64.77**	59.82

Sensitivity Analysis

(₹ in Lakhs)

Particulars	**31-Mar-19**	
	Increase	**Decrease**
Changes in Discount rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**394**	**418**
Original defined benefit obligation	**406**	**406**
Increase/(decrease) in defined benefit obligation	**(12)**	**12**

Changes in Mortality rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**397**	**413**
Original defined benefit obligation	**406**	**406**
Increase/(decrease) in defined benefit obligation	**(9)**	**7**

Particulars	**31-Mar-18**	
	Increase	**Decrease**
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	365	387
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(11)	11

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	368	383
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(8)	6

C. *Other Long Term Benefit Plans*

Leave Encashment (Non-funded), Long Service Award (Non-funded) and Half Pay Leave (Non-funded)

The Company provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent acturial valuation. An amount of ₹ 832.10 lakhs (₹ 603.51) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Leave encashment (Non-funded)	**As at 31-Mar-19**	As at 31-Mar-18
Amount recognized in Balance Sheet:		
Current	**201.36**	190.78
Non Current	**701.36**	760.36

Long Service Award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 years of service and thereafter every 5 years of completed service. An amount of ₹ (-) 20.19 lakhs [₹ (-) 37.60 lakhs] has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Long Service Award (Non-funded)	**As at 31-Mar-19**	**As at 31-Mar-18**
Amount recognized in Balance Sheet:		
Current	**60.73**	41.26
Non Current	**346.57**	351.83

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An Amount of ₹ 358.90 lakhs (₹ 50.96 lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Half pay Leave (Non-funded)	**As at 31-Mar-19**	**As at 31-Mar-18**
Amount recognized in Balance Sheet:		
Current	**105.33**	49.52
Non Current	**712.52**	513.88

NOTE NO. 40
ADDITIONAL DISCLOSURES

40.1 (a) Conveyance deeds of certain leasehold land costing ₹ 2,484.37 lakhs (₹ 2,541.35 lakhs) and buildings, with written down value of ₹ 3,211.46 lakhs (₹ 3,040.20 lakhs) are pending registration / mutation.

(b) Certain buildings & sidings with written down value of ₹ 6,603.58 lakhs (₹ 6,662.84 lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port trust have expired and are under renewal. Action has been taken for finalizing the agreements with Kolkata Port Trust for renewal of such pending cases.

40.2 Contingent Liabilities as at 31st March, 2019 not provided for in the accounts are:

(a) Disputed demand for Excise Duty, Income Tax, Sales Tax, Service Tax amounting to ₹ 10,244.37 lakhs (₹ 10,918.67 lakhs) against which the Company has lodged appeal/petition before appropriate authorities. Details of such disputed demands as on 31st March, 2019 are given in Annexure – A.

(b) Claims against the company not acknowledged as debts amounts to ₹ 1,006.19 lakhs (₹ 893.17 lakhs) in respect of which the Company has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes, financial effect of which is ascertainable on settlement.

40.3 Counter guarantees given to Standard Chartered Bank, Bank of Baroda, Canara Bank, Vijaya Bank, Yes Bank, Axis Bank and Indusind Bank in respect of guarantees given by them amounts to ₹ 6,613.64 lakhs (₹ 7,365.88 lakhs).

40.4 Estimated amount of contract remaining to be executed on Capital Accounts and not provided for [net of advances paid – ₹ 160.84 lakhs (₹ 88.11 lakhs)] amounted to ₹ 992.91 lakhs (₹ 1,928.55 lakhs).

40.5 Details of dues to Micro, Small and Medium Enterprises are as given below:

(a) The principal amount remaining unpaid to any supplier at the end of accounting year 2018-19 ₹ 324.16 lakhs (₹ 199.31 lakhs).

(b) The interest due thereon remaining unpaid to any supplier at the end of accounting year 2018-19 ₹ 0.06 lakhs (₹ 0.02 lakhs).

(c) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 during the accounting year 2018-19 ₹ 0.02 lakhs (₹ Nil).

(d) The amount of payment made to the supplier beyond the appointed day during the accounting year 2018-19 ₹ 2.77 lakhs (₹ 1.50 lakhs).

(e) 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 during the accounting year 2018-19 ₹ Nil (₹ Nil).

(f) The amount of interest accrued and remaining unpaid at the end of accounting year 2018-19 ₹ 0.06 lakhs (₹ 0.02 lakhs).

(g) 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 2018-19 ₹ 0.06 lakhs (₹ 0.02 lakhs).

40.6 The net amount of exchange difference credited to Statement of Profit & Loss is ₹ 69.55 lakhs [Debited ₹ 12.84 lakhs].

40.7 Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.

40.8 Remuneration of Chairman & Managing Director, Whole time Directors and Company Secretary:

(₹ in Lakhs)

	2018-19	2017-18
Salaries	**261.63**	(328.07)
Contribution to Provident and Gratuity Fund	**32.89**	(34.31)
Perquisites	**33.60**	(18.83)
	328.12	**381.21**

40.9 Auditors' remuneration and expenses :

(₹ in Lakhs)

Statutory Auditors		
- Audit Fees	**5.75**	(5.78)
- Tax Audit Fees	**0.85**	(0.85)
- Other Capacity for Limited Review and		
Other certification jobs	**2.00**	(2.10)
Branch Auditors		
- Audit Fees	**13.13**	(13.13)
- Other Capacity	**–**	–
- Expenses relating to audit of Accounts	**2.29**	(1.73)
	24.02	**23.58**

40.10 (a) Stock & Sale of Goods Manufactured (with own materials) :

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	2,548.44	2,335.86	37,413.25
	(3,696.74)	(2,548.44)	(40,029.66)
Barrels and Drums	456.59	421.86	60,163.85
	(616.06)	(456.59)	(54,788.05)
Leather Auxiliaries	102.37	326.53	6,318.42
	(176.20)	(102.37)	(6,480.73)
Others including Manufacturing Scrap	–	–	2,101.66
	(–)	(–)	(2,136.34)
	3,107.40	**3,084.25**	**1,05,997.18**
	(4,489.00)	**(3,107.40)**	**(1,03,434.78)**

40.10 (b) **Stock & Sale of Goods Manufactured (with customers' materials) :** (₹ in Lakhs)

Class of Goods	**Opening Value**	**Closing Value**	**Sales Value**
Greases & Lubricating Oils	–	–	–
	(–)	(–)	(–)
	–	**–**	**–**
	(–)	**(–)**	**(–)**

40.10 (c) **Work in Progress**

	(₹ in Lakhs)
Greases and Lubricating Oils	175.52
	(225.25)
Barrels and Drums	643.69
	(946.98)
Leather Auxiliaries	147.19
	(114.84)
	966.40
	(1,287.07)

40.11 **Analysis of Raw Materials Consumed (excluding materials supplied by Customers)**

	(₹ in Lakhs)
Steel	43,068.89
	(36,420.39)
Lubricating Base Oils	14,549.57
	(13,655.99)
Additives and other Chemicals	6,587.84
	(7,340.35)
Vegetable and Other Fats	2,091.19
	(2,177.14)
Drum Closures	2,140.24
	(1,967.35)
Paints	1,184.36
	(1,130.99)
Paraffin Wax	942.44
	(803.96)
Others	4,188.15
	(5,105.38)
	74,752.68
	(68,601.55)

40.12 **Value of Raw Materials, Components and Spare Parts consumed :**

	2018-19		2017-18	
Raw Materials	**(₹ in Lakhs)**	**(%)**	(₹ in Lakhs)	(%)
Imported	**3,366.62**	**4.50**	(2,784.00)	(4.06)
Indigenous	**71,386.06**	**95.50**	(65,817.55)	(95.94)
	74,752.68	**100.00**	(68,601.55)	(100.00)
Spares & Components	**(₹ in Lakhs)**	**(₹ in Lakhs)**	(₹ in Lakhs)	(₹ in Lakhs)
Imported	**41.60**	**4.68**	(173.59)	(19.36)
Indigenous	**847.64**	**95.32**	(723.10)	(80.64)
	889.24	**100.00**	(896.69)	(100.00)

40.13 **Purchase and Sale of Trading Goods :**

Class of Goods	**Purchase Value** (₹ in Lakhs)	**Sale Value** (₹ in Lakhs)
Bunk Houses	329.45	329.45
	(712.43)	(714.68)
	329.45	329.45
	(712.43)	(714.68)

40.14 (a) **Value of Imports on C.I.F basis :**

(₹ in Lakhs)

	2018-19	2017-18
Raw Materials	3,011.60	(1,651.43)
Components and Spare Parts	101.98	(136.41)
Capital Goods	61.08	(123.96)
Trading Goods	–	(75.08)
	3,174.67	1,986.88

40.14 (b) **Expenditure in Foreign Currency:**

(₹ in Lakhs)

Services	13,807.18	17,127.59
Others	87.95	(100.98)
	13,895.13	17,228.57

40.14 (c) **Earnings in Foreign Currency:**

(₹ in Lakhs)

	2018-19	2017-18
Export of Goods and Components calculated on F.O.B basis as invoiced	1,831.04	(1,927.33)
Interest and Dividend	1,687.48	(1,470.73)
Services	3,994.13	(6,681.12)
Freight, Insurance, Exchange Gain and Miscellaneous Items	-	(3.70)
	7,512.65	(10,082.88)

Earnings from services exclude deemed exports NIL (NIL).

40.15 Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below.

(₹ in Lakhs)

	2018-19	**2017-18**	**2016-17**	**2015-16**	**2014-15**
Capital Expenditure	**322.38**	106.79	30.41	51.35	256.88
Revenue Expenditure	**780.93**	628.87	529.29	543.32	604.53

40.16 Excess Income Tax provision in respect of earlier years amounting to ₹ 743.22 Lakhs (₹1,279.00 Lakhs) has been reversed in the current year.

40.17 The amount of Excise duty included in the amount of "Sale of Products" in Note 27 is relatable to Sales made during the period 1st April, 2017 and 30th June, 2017. Consequent to the same, turnover figures are not comparable.

40.18 Loans and Advances in the nature of loans to Subsidiary / Joint Ventures / Associates

The company does not have any Loans and Advances in the nature of Loans provided to its Subsidiary / Joint Venture Companies / Associates as at the year end except as is disclosed in Note 40.19 below.

40.19 **Related Party Disclosure**

i) **Name of Related Party**	**Nature of Relationship**
Balmer Lawrie Investments Ltd. (BLIL)	Holding Company
Balmer Lawrie (U.K.) Ltd.	Wholly Owned Subsidiary
Visakhapatnam Port Logistics Park Ltd.	Subsidiary
Transafe Services Ltd.	Joint Venture
Balmer Lawrie - Van Leer Ltd.	Joint Venture
Balmer Lawrie (UAE) LLC.	Joint Venture
Avi - Oil India (P) Ltd.	Associate
PT Balmer Lawrie Indonesia	Joint Venture
Shri Prabal Basu, Chairman and Managing Director	Key Management Personnel
Ms Manjusha Bhatnagar, Director (HR & CA)	Key Management Personnel (Superannuated on 01.02.2018)

Shri D. Sothi Selvam, Director (Manufacturing Business)	Key Management Personnel
Shri K Swaminathan, Director (Service Business)	Key Management Personnel
Shri S S Khuntia, Director (Finance)	Key Management Personnel
Ms Indrani Kaushal (Govt. Nominee Director)	Key Management Personnel (w.e.f 27.12.2016 till 27.12.2017)
Ms Atreyee Borooah Thekedath (Independent Director)	Key Management Personnel (w.e.f 13.12.2017)
Shri Vijay Sharma (Govt. Nominee Director)	Key Management Personnel (w.e.f 15.01.2018)
Shri Sunil Sachdeva (Independent Director)	Key Management Personnel (w.e.f 18.09.2017 till 01.02.2018, again wef 04.04.2018)
Ms Kavita Bhavsar, Company Secretary	Key Management Personnel
Shri A. Ratna Sekhar, Director (HR & CA)	Key Management Personnel (wef 02.05.2018)
Shri Vikash Preetam (Independent Director)	Key Management Personnel (wef 28.07.2018)
Shri Arun Tandon (Independent Director)	Key Management Personnel (wef 12.09.2018)

ii) Notes on Accounts -

Transactions with Related Parties

(₹ in Lakhs)

	Type of Transaction	Year Ending	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL
a)	Sale of Goods	31/03/19	-	-	11.58	-	11.58
		31/03/18	-	-	11.72	-	11.72
b)	Purchase of Goods	31/03/19	-	-	2,478.63	-	2,478.63
		31/03/18	-	-	2,218.36	-	2,218.36
c)	Value of Services Rendered	31/03/19	41.50	-	934.07	0.02	975.59
		31/03/18	36.00	185.34	965.78	-	1,187.12
d)	Value of Services Received	31/03/19	-	-	18.35	-	18.35
		31/03/18	-	-	258.61	-	258.61
e)	Remuneration to Key Managerial Personnel	31/03/19	-	-	-	328.13	328.13
		31/03/18	-	-	-	381.21	381.21
f)	Income from leasing or hire purchase agreement	31/03/19	-	-	1.08	-	1.08
		31/03/18	-	-	1.08	-	1.08
g)	Purchase of Fixed Assets	31/03/19	-	-	-	-	-
		31/03/18	-	-	-	-	-
h)	Investment in shares as on	31/03/19	-	8103.96	5,753.34	-	13,857.30
		31/03/18	-	9,100.18	4,726.02	-	13,826.20
i)	Loans given as on	31/03/19	-	230.03	423.49	-	653.52
		31/03/18	-	2,000.00	491.95	-	2,491.95

	Type of Transaction	Year Ending	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL
j)	Dividend Income	31/03/19	-	-	2,407.06	-	2,407.06
		31/03/18	-	-	2,056.02	-	2,056.02
k)	Dividend Paid	31/03/19	7,045.29	-	-	-	7,045.29
		31/03/18	4,931.70	-	-	-	4,931.70
l)	Interest Income	31/03/19	-	112.05	98.41	-	210.46
		31/03/18	-	35.24	127.79	-	163.03
m)	Amount received on a/c. of salaries, etc. of Employees deputed or otherwise	31/03/19	14.79	-	87.89	-	102.68
		31/03/18	9.83	-	109.39	-	119.23
n)	Net outstanding recoverable as on	31/03/19	51.57	342.15	2,350.88	-	2,744.60
		31/03/18	11.08	2,035.29	2,455.91	-	4,502.28
o)	Net outstanding payable as on	31/03/19	-	1,027.32	310.22	-	1,337.54
		31/03/18	-	-	498.18	-	498.18
p)	Provision for advances/ investments	31/03/19	-	-	2,495.12	-	2,495.12
		31/03/18	-	-	2,495.12	-	2,495.12
q)	Share of margin towards business operation	31/03/19	-	-	2.68	-	2.68
		31/03/18	-	-	13.06	-	13.06

40.20 **Segment Reporting**

Information about business segment for the year ended 31st March, 2019 in respect of reportable segments as notified by the Ministry of Corporate Affairs in the IND AS – 108 in respect of "Operating Segments" is attached in Note 41.

40.21 **Disclosure of Interests in Joint Venture and Associate Companies**

Name of Joint Venture Company	Proportion of Shareholding	Country of Incorporation
Balmer Lawrie (UAE) LLC.	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd	48%	India
Transafe Services Ltd.	50%	India
PT Balmer Lawrie Indonesia	50%	Indonesia
Name of Associate Company		
Avi Oil India (P) Ltd.	25%	India

Avi Oil India (P) Ltd. is classified as associate on the basis of the shareholding pattern which leads to significant influence over them by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd, PT Balmer Lawrie Indonesia LLC and Transafe Services Ltd. both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures and the Company recognizes its share in net assets through equity method.

The Company's proportionate share of the estimated amount of contracts remaining to be executed on Capital Accounts relating to the Joint Venture & Associate Companies and not provided for in their respective financial statements amounts to ₹ 569.96 lakhs (₹ 608.87 lakhs).

With the adoption of Ind AS by the company and its group companies, the consolidation of individual line items under proportionate consolidation method being followed earlier under previous GAAP has been discontinued. Under the equity method as prescribed in Ind AS, the net assets of the group companies are shown as an increase in equity with corresponding increase in value of Investments in the parent company's books. Hence the disclosure for aggregate amounts of each of the assets, liabilities, income and expenses related to the interests in the Joint Venture and associate companies are no longer relevant.

40.22 **Cost of Services comprises**:

(₹ in Lakhs)

	2018-19	2017-18
Air / Rail travel costs	1,885.08	(1,683.33)
Air / Ocean freight	22,933.35	(22,438.04)
Transportation / Handling	7,007.40	(7,534.10)
Other Service charges	3,951.21	(5,492.70)
	35,777.04	(37,148.17)

40.23 Capital Work in Progress as at the Balance Sheet date comprises:

(₹ in Lakhs)

Asset Classification (*)	**As at 31.03.2019**	As at 31.03.2018
Leasehold Land	**280.81**	(3.79)
Building	**9,940.73**	(843.09)
Plant & Machinery	**834.18**	(416.13)
Electrical Installation & Equipment	**103.88**	(26.78)
Furniture & Fittings	**3.44**	-
Typewriters, Accounting Machine & Off. Equipment	**17.26**	(34.74)
Misc. Equipment	**82.49**	-
Pre Production Expenses	**431.69**	-
	11,694.48	(1,324.53)

(*) Subject to final allocation / adjustment at the time of capitalization

40.24 Miscellaneous Expenses shown under "Other Expenses" (Note no. 35) do not include any item of expenditure which exceeds 1% of the total revenue.

40.25 (a) Certain fixed deposits with banks amounting to ₹ 5,500.00 lakhs (₹ 5,299.82 lakhs) are pledged with a bank against short term loans availed from the said bank. However, there are no loans outstanding against these pledges as on 31.3.2019.

(b) Certain fixed deposits amounting to ₹ 77.74 lakhs (₹ 69.76 lakhs) are pledged with a bank against guarantees availed from the said bank.

(c) Fixed Deposit with bank amounting to ₹ 0.90 lakhs (₹ 0.85 lakhs) are lodged with certain authorities as security.

40.26 Details of Other Payables (Note no. 23)

(₹ in Lakhs)

Particulars	**2018-19**	2017-18
Creditor for Expenses	**6,200.48**	(6,423.57)
Creditor for Capital Expenses	**246.19**	(298.59)
Employee Payables	**2,226.88**	(2,122.33)
Statutory Payables	**311.74**	(369.41)
Others	**112.71**	(89.32)
	9,098.00	(9,303.22)

40.27 Ind AS 36, Impairment, requires the company to test assets for impairment at every financial year end wherever there exists conditions which indicate that an impairment loss may have occurred. Kolkata plant of the SBU Industrial Packaging have been incurring losses for the last few years. In view of the same, fixed assets of the IP Kolkata unit have been impaired during the current and previous financial years. The impairment loss resulting from the same has been disclosed as a separate line item under Other expenses in Note No 35 of the Statement of Profit & Loss.

40.28 The company has been sanctioned a Grant-in-aid of ₹ 7.83 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company had been disbursed ₹ 1.81 crores during the previous financial year 2017-18 which is treated as a deferred income and grouped under Non Financial liabilities-Others (current) to be apportioned over the useful life of the assets procured out of such grant. During the current financial year a sum of ₹ 12.16 lakhs (₹ 5.50 lakhs) has been credited to income in the statement of profit and loss.

40.29 During the year the company has started the process of closing down the wholly owned subsidiary Balmer Lawrie (UK) Limited. As a part of such initiative, a comprehensive portion of its paid up shares was purchased back by the subsidiary company as per laid down guidelines of the United Kingdom. This has resulted in a profit on disposal of shares of ₹ 634.49 Lakhs during the year. The wholly owned subsidiary issued share capital now stands at 100 equity shares with a face value of US $ 1 each, which are still held by Balmer Lawrie & Co. Ltd.

40.30 (a) The financial statements have been prepared as per the requirement of Division-II to the Schedule III of the Companies Act, 2013.

(b) Previous year's figures have been re-grouped or re-arranged or re-classified wherever so required to make them comparable with current year figures.

(c) Figures in brackets relate to previous year.

(d) All amounts in ₹ Lakhs unless otherwise stated.

As per our report attached
For Dutta Sarkar & Co.
Chartered Accountants
Firm registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

PART - I

ANNEXURE - A

Statement of Disputed Dues as on 31st March, 2019
(Not provided for in the accounts)

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2018-19	2017-18		
Sales Tax Act	**Sales Tax**	17.67	17.67	Asst yr 1994/95	Tribunal, Mumbai
		1.55	1.55	Asst Yr 1994/95	Tribunal, Mumbai
		9.03	9.03	Asstt Yr 2012/13	Jt. Commissioner, Mumbai
		23.58	-	Asstt Yr 2009/10	Dy. Commissioner, Mumbai
		16.67	16.67	Asst yr 2007/08	Jt. Commissioner, Mumbai
		61.55	61.55	Asst yr 2010/11	Jt. Commissioner, Mumbai
		15.65	15.65	Asstt Yr 2011/12	Jt Comm., Mumbai
		2.71	2.71	Asst yr 2007/08	Jt. Commissioner, Mumbai
		133.42	133.42	Asst yr 2003/04	Dy. Commissioner, Mumbai
		5.78	5.78	Asst Yr 2000/01	Dy. Commissioner, Mumbai
		0.90	0.90	Asst yr 2000-01	Dy. Commissioner, Mumbai
		0.61	0.61	Asst Yr 2001/02	Dy. Commissioner, Mumbai
		8.08	8.08	Asstt Yr 2000/01	Dy. Commissioner, Mumbai
		4.85	4.85	Asstt Yr 2001/02	Dy. Commissioner, Mumbai
		0.24	0.24	Asstt Yr 2008/09	Jt Comm., Mumbai
		–	64.54	Asst yr 2017	Asstt Commissioner, Mumbai
		1.35	1.35	Asst year 2000-01	Dy. Commissioner, Mumbai
		1.68	1.68	Asst year 2001-02	Dy. Commissioner, Mumbai
		5.48	5.48	Asst year 2008-09	Jt. Commissioner, Mumbai
		1.37	1.37	Asst year 2001-02	Dy. Commissioner, Mumbai
		109.56	109.56	Asst yr 2011-12	Jt. Commissioner, Mumbai
		8.54	8.54	Asst Yr 2012/13	Jt. Commissioner - ST Appeal Mumbai
		7.07	7.07	Asstt Yr 2007/08 (VAT Act. 03)	Sr. Jt. Commissioner, Appeal West Bengal
		69.38	69.38	Asst yr 2003	CTO, Kochi
		15.62	15.62	Asstt Yr 1993/94	CTO, Kochi
		2.25	2.25	Asstt Yr 2005/06	CTO, Kochi
		6.63	6.63	Asstt Yr 2005/06	CTO, Kochi
		10.85	10.85	Asstt Yr 2004	CTO, Kochi
		1.82	1.82	Asstt Yr 2003/04	Asst. Commissioner, Chennai
		-	14.95	Asstt Yr 2008/09	Appeal pending with AAC
		-	1.64	Asstt Yr 2008/09	Appeal pending with AAC
		14.65	14.65	Asstt Yr 1998/99	Appeal pending before STAT
		67.82	67.82	Asst. Year 2005/06	Appeal pending with Sales Tax Appellate & Revision Board
		-	37.04	VAT Asst. 2006-07	- do -
		-	116.64	CST Asst, 2006-07	- do -
		90.93	90.93	Asst. Year 2005/06	- do -

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2018-19	2017-18		
		-	2.17	Asstt Yr 1998/99	AAC, Chennai
		12.14	12.14	Asst Yr 1996/97	Appeal pending with AAC, Chennai
		32.59	32.59	Asst Yr 2007/08	Appellate & Revision Board
		-	137.55	Asst Yr 2008/09	- do -
		17.68	17.68	Vat Asst. 2013-14	Appellate & Revision Board
		98.11	98.11	CST Asst. 2013-14	- do -
		11.61	12.84	VAT Act.'03 Asst. 2014-15	Addl Commissioner Appeal, WB
		32.93	66.22	CST Act.'06 Asst. 2014-15	- do -
		64.54	64.54	VAT Act.'03 Asst. 2015-16	- do -
		186.15	186.15	CST Act.'06 Asst. 2015-16	- do -
		8.32	8.32	Vat Asst. 2012-13	- do -
		–	24.04	CST Asst. 2011-12	- do -
		274.64	-	Asst Yr 2016/17	- do -
		241.27	-	Asst Yr 2016/17	- do -
		-	42.81	Asst Yr 2009/10	Addl. Commissioner, West Bengal
		52.50	52.50	Asst Yr 2010/11	Jt. Commissioner, Commercial Tax
		798.81	798.81	Asst Yr 2009/10	Appeal against Dy. Commissioner Order, Orissa
SUB TOTAL		**2,548.57**	**2,484.96**		
Central Excise Act	**Excise Duty**	1,308.11	1,308.11	July'97	Appellate Tribunal, Kolkata
		16.31	16.31	Feb.'2004	Appellate Tribunal, Kolkata
		47.00	47.00	04/10/2002	- do -
		40.04	38.17	22-11-2011	Addl. Commissioner (CE)
		0.52	0.37	05/05/2011	Dy. Commissioner (CE)
		1.94	1.78	11.02.2013	Commissioner (CE)
		17.57	16.65	08/04/2017	Comm (Appeals), Mumbai
		27.83	4.87	March, 2011	Comm (Appeals), Mumbai
		9.78	9.19	March'2010	- do -
		-	29.64	2011-12	Commissioner (Appeal), Mumbai
		218.03	218.03	18-09-2002	CESTAT
		99.29	99.29	02-05-2003	- do -
		9.07	9.07	08-05-2006	- do -
		1.42	1.42	06-07-1995	Asst. Commissioner
		12.18	12.18	17-07-1995	- do -
		9.97	9.97	27-04-1995	- do -
		1.62	1.62	03/06/2011	Comm. (Appeal)
		1.09	1.09	08-09-1995	Asst. Commissioner.
SUB TOTAL		**1,821.77**	**1,824.76**		

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2018-19	2017-18		
Cess		120.02	115.09	Asstt Yr 1999/00	High Court, Mumbai
		100.63	96.49	Asstt Yr 2000/01	High Court, Mumbai
SUB TOTAL		**220.65**	**211.58**		
Service Tax Act	**Service Tax**	1.34	1.27	Oct 13 to Dec 13	Asst.Commisioner Central Excise (Adjn), Mumbai
		0.45	0.43	Apr 14 to June 14	- Do -
		0.44	0.42	July 14 to Sept 14	- Do -
		1.30	1.23	Oct 14 to Dec 14	- Do -
		17.38	17.38	Asst. Year 2012-13	Commissioner of Central Excise Coimbatore
		8.34	8.34	Asst. Year 2012-13	- Do -
		22.39	21.26	19-03-2010	Commissioner (Appeal) Service Tax
		3,054.72	3,054.72	Oct 2002 - March 2007	CESTAT, West Bengal
		1.08	1.03	Jan.'11-Oct.'11	Suppdt.
		2.62	2.50	April'06-Dec.'10	- Do -
		4.07	3.87	Nov 11 to Jun 12	Superintendent
		4.10	3.90	Nov 11 to Jun 12	Asstt Commissioner
		1.19	1.12	26, October, 2015	Asst.Commisioner, Mumbai
		116.20	110.15	Asstt Yr 2005-06/ 2006-07	Addl. Commissioner (Service Tax), West Bengal
		11.67	10.97	21, April, 2015	Commissioner-Service Tax Audit Commissionerate Kolkata
		14.58	14.00	Apr 06 to Feb 10	Asstt Commissioner, Mumbai
		3.30	3.15	Mar 10 to Dec 10	Superintendent, Mumbai
		5.31	5.09	Apr 06 to Dec 10	Asstt Commissioner, Mumbai
		-	17.94	Apr.'15 to June'17	Show cause letter issued from Commissioner Office
		46.39	46.39	01-05-2011	Appellate Tribunal
		27.99	27.99	23-07-2012	1st Appellate Authority, Delhi
		525.21	525.21	2013-14	Central Excise Service Tax Appellate Tribunal, Delhi
		-	21.58	2012-15	Show cause letter issued from Commissioner Office
		5.04	4.79	July 12 to Mar 13	Asstt Commissioner, Mumbai
		310.85	310.85	2016-17	CESTAT, Coimbatore
		4.38	4.15	Apr 13 to Sep 13	Asstt Commissioner, Mumbai
		1,364.63	1,364.63	01-03-2017	Commissioner order CHN dated 01.03.2017
		-	716.14	Apr'08 to March'09	CESTAT, Mumbai
		67.62	67.62	10-08-2016	CESTAT, Hyderabad
		30.80	29.25	Oct 07 to Mar 13	Commissioner, Mumbai
SUB TOTAL		**5,653.38**	**6,397.37**		
GRAND TOTAL		**10,244.37**	**10,918.67**		

NOTE NO. 41

SEGMENT REVENUE

(₹ in Lakhs)

	31 March 2019			31 March 2018		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	**63,676**	**1,083**	**62,593**	59,492	1,528	57,964
Logistics Infrastructure	**18,761**	**33**	**18,728**	19,244	187	19,057
Logistic Services	**33,246**	**62**	**33,184**	33,136	59	33,077
Travel & Vacations	**15,977**	**314**	**15,663**	15,893	162	15,731
Greases & Lubricants	**37,600**	**95**	**37,505**	40,374	140	40,234
Others	**9,854**	**6**	**9,848**	9,939	81	9,858
Total Segment Revenue	**179,113**	**1,593**	**177,520**	**178,079**	**2,158**	**175,921**

Segment Profit/(Loss) before Interest & Income Tax (₹ in Lakhs)

	31 March 2019			31 March 2018		
Industrial Packaging	**5,416**	**–**	**5,416**	5,842	–	5,842
Logistics Infrastructure	**4,373**	**–**	**4,373**	4,474	–	4,474
Logistic Services	**7,971**	**–**	**7,971**	8,483	–	8,483
Travel & Vacations	**6,025**	**–**	**6,025**	5,294	–	5,294
Greases & Lubricants	**3,854**	**–**	**3,854**	3,096	–	3,096
Others	**372**	**–**	**372**	(1,079)	–	(1,079)
Total Segment Profit	**28,010**	**–**	**28,010**	**26,111**	**–**	**26,111**

Segment Assets (₹ in Lakhs)

	31 March 2019				31 March 2018			
	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets
Industrial Packaging	**32,182**	**–**	**–**	**32,182**	31,765	–	–	31,765
Logistics Infrastructure	**22,111**	**–**	**–**	**22,111**	21,653	–	–	21,653
Logistic Services	**12,202**	**–**	**–**	**12,202**	7,756	–	–	7,756
Travel & Vacations	**34,239**	**–**	**–**	**34,239**	32,538	–	–	32,538
Greases & Lubricants	**19,309**	**–**	**–**	**19,309**	19,349	–	–	19,349
Others	**6,888**	**–**	**–**	**6,888**	6,331	–	–	6,331
Total Segment Assets	**1,26,931**	**–**	**–**	**1,26,931**	**1,19,393**	**–**	**–**	**1,19,393**
Unallocated								
Deferred tax assets	**–**	**–**	**–**	**–**	–	–	–	–

(₹ in Lakhs)

	31 March 2019				31 March 2018			
	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets
Investments	**13,841**	**166**	**–**	**14,007**	8 ,738	5,103	–	13,841
Derivative financial instruments	**–**	**–**	**–**	**–**	–	–	–	–
Other Assets	**47,294**	**–**	**–**	**47,294**	51,951	–	–	51,951
Total Assets as per the Balance Sheet	**1,88,066**	**166**	**–**	**1,88,232**	**1,80,082**	5,103	–	**1,85,185**

Impairment of Assets

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Industrial Packaging	**19.36**	381.58
Logistics Infrastructure	**–**	–
Logistic Services	**–**	–
Travel & Vacations	**–**	689.31
Greases & Lubricants	**–**	–
Others	**–**	–
Total Impairment of Assets	**19.36**	1,070.89

Segment Liabilities

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Industrial Packaging	**8,784**	9,079
Logistics Infrastructure	**7,624**	5,148
Logistic Services	**10,889**	10,961
Travel & Vacations	**11,784**	17,062
Greases & Lubricants	**6,169**	6,468
Others	**2,912**	2,363
Total Segment Liabilities	**48,162**	**51,081**
Inter-segment Eliminations	**–**	–
Unallocated		
Deferred tax liabilities	**919**	819
Current tax liabilities	**3,215**	2,778
Current borrowings	**306**	374
Non current borrowings	**1,061**	1,115
Derivative financial instruments	**–**	–
Other Liabilities	**4,548**	3,432
Total Liabilities as per the Balance Sheet	**58,211**	**59,599**

NOTE NO. 42
FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Lakhs)

	31 March 2019		31 March 2018	
Particulars	**FVTPL**	**Amortised cost***	**FVTPL**	**Amortised cost***
Financial Assets				
Equity instruments**	**149.50**	–	14.46	–
Trade receivables	–	**27,619.22**	–	27,127.33
Other receivables	–	**21,640.30**	–	24,119.72
Loans	–	**1,725.55**	–	2,895.66
Accrued income	–	**2,226.70**	–	2,240.70
Security deposit	–	**908.38**	–	810.36
Cash and cash equivalents	–	**4,614.05**	–	5,059.07
Other bank balances	–	**39,071.11**	–	43,007.56
Total-Financial Assets	**149.50**	**97,805.31**	**14.46**	**105,260.40**
Financial Liabilities				
Trade payable	–	**29,305.66**	–	32,279.10
Security deposit	–	**2,468.01**	–	2,457.74
Other financial liabilities	–	**9,098.00**	–	9,303.22
Derivative financial liabilities	–	–	–	–
Total- Financial Liabilities	–	**40,871.67**	–	**44,040.06**

* All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values.

** 1. Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost amounting to ₹ 13,857.30 Lakhs (31 March 2018 ₹ 13,826.20 Lakhs) as per Ind AS 27 "Separate Financial Statement" and hence not presented here.

** 2. This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	Ageing Analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts
Market Risk - Foreign Exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts

The Company's risk management other than in respect of trade receivables is carried out by a central treasury department under policies approved in-principle by the Board of Directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Company's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables amounting to ₹ 49,259.52 Lakhs as at March 31, 2019 (₹ 51,247.05 Lakhs as at March 31, 2018).The receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Provisions

<u>For Receivables</u>

There are no universal expected loss percentages which can be derived for the Company as a whole. The Company generally considers its receivables as impaired when they are outstanding for over three years period. Considering the historical trends based on amounts actually incurred as a loss in this regard over the past few years and market information, the Company estimates that the provision computed on its trade receivables will not be materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

<u>For other Financial assets</u>

Loans - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Accrued income - includes Dividend income from both Indian and foreign JV's/associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit ratings.

B) Liquidity risk

Liquidity risk arises from borrowings and other liablities. The company has taken a loan of ₹ 15 Crores from Standard Chartered Bank (in FY 2017-18) to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI) and expects to repay the same as per schedule. The first tranche of ₹ 1.25 crores was paid as and when it was due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining short term debt financing plans.

The company does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they are falling due.

C) Market Risk

Market risk arises due to change in interest rates or foreign exchange rates.

1) Interest rate risk

The company is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The company has also invested in preference share capital of its joint venture company, M/s Transafe Services Limited which has been entirely provided for in the books of the company on account of total erosion of Net Worth of the JV and hence no further income is being accrued on this account. The company has not invested in any other instruments except equity investments. The company has a very insignificant borrowing on which interest is payable and it does not foresee any risk in its repayment.

2) Foreign currency risk

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS-109. The Company does not use forward contracts for speculative purposes.

The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED.

The Company, as a matter of policy decided by the Board of Directors, does not enter into derivative contracts.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in individual currencies are as follows:

Particulars	31 March 2019	31 March 2018
Net payables		
USD	**2,347,472**	3,663,714
Euro	**1,642,920**	1,782,941
GBP	**568,018**	473,197
Forward Contracts		
GBP	**-**	80,000
USD	**275,000**	-
Receivables		
AED	**9,639,887**	10,918,698

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ in lakhs are as follows

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Net payables		
USD	**1,635**	2,403
Euro	**1,293**	1,447
GBP	**520**	438
Receivables		
AED	**1,770**	1,887

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Increase by 50 Basis points *		
USD	**81.73**	120.17
Euro	**64.63**	72.37
GBP	**26.00**	21.92
AED	**88.49**	94.34
Decrease by 50 Basis points *		
USD	**(81.73)**	(120.17)
Euro	**(64.63)**	(72.37)
GBP	**(26.00)**	(21.92)
AED	**(88.49)**	(94.34)

* Holding all other variables constant

NOTE NO. 43
CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern

- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company, being a CPSE is governed by the guidelines on Capital issued from time to time by the Government of India.

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
Total Equity	**130,020.44**	125,586.14
Total Assets	**188,231.72**	185,184.98
Equity Ratio	**69.07%**	67.82%

Dividends

(₹ in Lakhs)

Particulars	31 March 2019	31 March 2018
(i) Dividend recognised at the end of the reporting period		
Final dividend for the year ended 31 March 2018 of ₹10 (31 March 2017 - ₹ 7) per fully paid share (Net of Dividend Distribution Tax)	**11,400.26**	7,980.18
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year- end, the "Board of Directors" have recommended the payment of final dividend of ₹ 11 (31 March 2018 ₹ 10) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	**12,540.29**	11,400.26

For the year ended 31.03.2019

Form AOC - 1

INFORMATION IN RESPECT OF SUBSIDIARIES , ASSOCIATES & JOINT VENTURES

(Pursuant to Section 129(3) of Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Part - A - Subsidiaries

1	**Sl. No.**	**1**	**2**
2	Name of the subsidiary	**Balmer Lawrie UK Ltd.**	**Visakhapatnam Port Logistics Park Ltd.**
3	The date since when susidiary was acquired	16-11-1992	24-07-2014
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD @ ₹ 67.09/USD	NA
6	Share Capital	10,600	1,350,649,630
7	Reserves & Surplus	158,239,480	(86,005,124)
8	Total Assets	161,020,898	1,559,836,831
9	Total Liabilities	2,770,817	295,310,848
10	Investments	–	–
11	Turnover	3,420,382	120,819
12	Profit/(Loss) before taxation	(39,661,394)	(55,659,479)
13	Provision for taxation	(572,949)	–
14	Profit/(Loss) after taxation	(39,088,445)	(55,659,479)
15	Proposed Dividend	–	–
16	Extent of shareholding (in percentage)	100%	60%

Note:

1 None of the subsidiaries have been liquidated or sold during the year.

Part - B - Associates and Joint Ventures

Sl. No.	Name of Associates / Joint Ventures	Balmer Lawrie (UAE) LLC	Balmer Lawrie- Van Leer Ltd.	Transafe Services Ltd.	Avi-Oil India (P) Ltd.	PT Balmer Lawrie Indonesia
1	Latest audited Balance Sheet Date	31-12-2018	31-03-2019	31-03-2019	31-03-2019	31-03-2019
2	Date on which the Associate or Joint Venture was associated or acquired	01-11-1993	01-09-1993	15-10-1990	04-11-1993	22-10-2018
3	Shares of Associate or Joint Ventures held by the company on the year end (No.)	9800	8601277	11361999	4500000	2000000
	Amount of Investment in Associates or Joint Venture (₹ Lakhs)	890.99	3,385.03	1,165.12	450.00	1,027.32
	Extent of Holding (in percentage)	49%	48%	50%	25%	50%

Sl. No.	Name of Associates / Joint Ventures	Balmer Lawrie (UAE) LLC	Balmer Lawrie- Van Leer Ltd.	Transafe Services Ltd.	Avi-Oil India (P) Ltd.	PT Balmer Lawrie Indonesia
4	Description of how there is significant influence	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding
5	Reason why the associate /joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Networth attributable to shareholding as per latest audited Balance sheet (₹/Lakhs)	23,781.28	7,113.20	(5,935.73)	1,592.07	(153.37)
7	Profit or Loss for the year (₹ Lakhs)					
	(i) Considered in Consolidation	-	-	-	-	-
	(ii) Not Considered in Consolidation	6,740.66	2,349.00	(2,387.28)	826.10	74.05

Note:

1) Note : As per Ind AS 28 -Investments in Associates and Ind AS 31 - Interests in Joint Ventures, the company has followed the equity method of accounting for all its joint ventures and associate companies. The net share of net worth including Profit/ Loss during the year has been adjusted to the Investment value with corresponding increase/ decrease in Equity. In case of Transafe Services Ltd and PT Balmer Lawrie Indonesia, since the net worth has turned negative, hence no further consolidation is required.

2) None of the associates or joint ventures have been liquidated or sold during the year.

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

Independent Auditors' Report
To the Members of Balmer Lawrie & Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Balmer Lawrie & Company Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss, the consolidated statement of changes in equity and the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report;

Sl.No	Key Audit Matter	Auditor's Response
1.	**Implementation of IND AS 115** Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of IND AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard). The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted of studying the internal audit report regarding the implementation and also testing of the design and operating effectiveness of the internal controls and substantive testing. We evaluated the design of internal controls relating to implementation of the new revenue accounting standard. We selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation. Samples in respect of recording and recognition of revenue were tested by checking the invoices and performance. **Conclusion:** Our procedures did not identify any material exceptions.

Sl.No	Key Audit Matter	Auditor's Response
2.	**Evaluation of uncertain tax positions** The Company has tax matters under dispute which involves judgement to determine the possible outcome of these disputes. [Refer Note:40.2 (a) read with annexure "A"]	We obtained the details of assessment orders to the extent available regarding those assessments for which disputes are continuing and being disclosed as contingent liability from management. We involved our internal experts to estimate the possible outcome of the disputes. Our internal experts considered the assessment orders and other rulings in evaluating management's position on these uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties. **Conclusion:** We agree with management's evaluation
3.	**Debtors Due for More than Three years and Credit Balance in Sundry Debtors Accounts (unallocated receipts)** The company has credit balance in some customer accounts across all Strategic Business Unit (SBU's). The credit balance in these customer accounts are due to either of the following reasons: • Amount lying in the nature of advance in the customer account; • Amount credited to customer account but the same could not be tracked/linked with any sales invoice; • Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods.	We have checked the debtor's ageing schedule of the SBU's. The authority is regularly following up on the realisation of the same. As is evident from the ageing schedule, dues do exist for more than three years against which provision has been provided for in the accounts. We, during the course of our examination have also checked the unadjusted advances from customers for more than three years and to change also the credit balances lying in customers accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases the management is in the process of reconciliation with the respective parties and hence the process of write back has been kept in abeyance. The debtors balance of Logistic Services (LS) Kolkata, includes of receivables from Hindustan Paper Corporation Limited (₹ 59,91,087/-) and Stone India Limited (₹ 18,15,692/-). Both the companies have gone to NCLT and claim has been filed by the company under the insolvency and bankruptcy code and the same verified by us and also provided in the accounts by the management. As according to the books of accounts the total credit balances lying in customers' accounts is ₹ 2,588.46 lakhs/- and credit balance lying over three years is ₹ 470.73 lakhs spread over various SBU's. **Conclusion:** The management is following up on the process of reconciliation with regard to unallocated receipts.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities is responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 SAs 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, 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 ability of the Group and its associates and jointly controlled entities 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of ₹ 23,729.5 lakhs as at 31st March, 2019, total revenues of ₹ 34.82 Lakhs and net cash flows amounting to ₹ (1,886.36 Lakhs) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹ Nil for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of nil associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

b. The holding company and jointly controlled entities incorporated in India have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities except Transafe Services Limited, which has not deposited undisputed dues in respect of Goods and Service Tax (GST) as on 31.03.2019 to the tune of ₹ 67,12,019/- (Rupees Sixty Seven Lakhs Twelve Thousand and Nineteen only) details of which are given herein below:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the Amount Relates	Due Date of Payment
Delhi GST Act, 2017	IGST	31,32,971/-	FY 2018-19	April 2018 onwards
	CGST	4,23,538/-	FY 2018-19	April 2018 onwards
	SGST	4,23,538/-	FY 2018-19	April 2018 onwards

Name of Statute	Nature of Dues	Amount (₹)	Period to which the Amount Relates	Due Date of Payment
Maharashtra GST Act, 2017	IGST	4,751/-	FY 2018-19	April 2018 onwards
	CGST	13,02,643/-	FY 2018-19	March 2018 onwards
	SGST	14,24,578/-	FY 2018-19	

c. Transafe Services Limited has defaulted in repayment of dues of loans to certain banks as detailed below:

Name of Bank	Amount of Default (in ₹)	Period of Default
Axis Bank Ltd	235,713,797/-	From January 2017
Karur Vysya Bank Ltd	148,790,205/-	From March 2017
HDFC Bank Ltd	199,727,117/-	From September 2015
Bank of India	15,748,219/-	From March 2016
Syndicate Bank	460,985,312/-	From June 2014
Total	**1,060,964,650**	

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

Report on Other Legal and Regulatory Requirements

1. As directed by order No. SO 1228 (E) of the Ministry of Corporate Affairs, dated 29 March 2016, a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable for consolidated financial statements;

2. As required by the directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act, we give the

compliance in “Annexure B”;

3. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c. The reports on the account of the jointly controlled entities audited under section 143 (8) of the act by other auditors have been submitted to us and have been properly dealt with by us in submitting this report;

   d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   e. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

   g. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A;

   h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities–Note 40.4 (a) to the consolidated financial statements;

      ii) The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts;

      iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India;

For **DUTTA SARKAR & CO.**
Chartered Accountants
(Firm’s Registration No.- 303114E)

Place: Kolkata
Dated: 28.05.2019

(Mainak Chakrabarti)
Partner
Membership No.- 063052

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balmer Lawrie & Company Limited of even date)

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

Our reporting includes 7 (seven) jointly controlled entities in India to which the order is applicable, which has been audited by other auditors and our report in respect of these entities is based solely on the auditor's report, to the extent considered applicable for reporting under the order in the case of consolidated IND AS financial statements.

We have audited the internal financial controls over financial reporting of Balmer Lawrie & Company Limited ("the holding Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and other auditors have audited the internal financial controls over financial reporting of jointly controlled entities incorporated in India as of 31 March 2019 in conjunction with their audit of the financial statement of the respective jointly controlled entities for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the holding company and jointly controlled entities is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the holding company and jointly controlled entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the holding company and jointly controlled entities based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the holding company and jointly controlled entities incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting. Though certain areas require further strengthening, it does not have any material effect on the internal financial controls.The internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DUTTA SARKAR & CO.**
Chartered Accountants
(Firm Registration No.- 303114E)

Place: Kolkata
Dated: 28.05.2019

(Mainak Chakrabarti)
Partner
Membership No.- 063052

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 2 on "Other Legal and Regulatory Requirements" to the Independent Auditor's Report of Balmer Lawrie & Company Limited for the year ended 31 March 2019.

Sl. No.	CAG's Directions	Our Observation	Impact on Financial Statements
1.	Whether the company has system in place to process all the accounting transactions through IT system ? If yes, the implications of processing of accounting transactions outside IT system on integrity of the accounts along with the financial implications, if any, may be stated.	The accounting transactions are processed and documented through SAP. There are standalone intermediary software's to capture the transactions related to certain functions certain SBU's (for example Mid Office software for Tours and Travel). The transactions from these standalone software's are posted in SAP for accounting purpose.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No such case	Nil
3.	Whether the funds received / receivable for specific schemes from Central / State agencies were properly accounted for utilised / utilised as per terms and conditions? List the cases for deviation.	The company has been sanctioned a Grant -in-Aid of ₹ 7.83 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company has been disbursed ₹ 1.81 crores for specified assets *purchased* [*for Patalganga, Maharashtra*] as according to the scheme document the fund is disbursed upon utilisation for specific purpose.	The accounting for the same has been done with regard to IND AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". Accordingly, the same has been treated as deferred income to be apportioned over the useful life of the assets. During the current financial year a sum of ₹ 12.16 Lakhs has been credited to the income in the statement of profit and loss account based on the accounting standard.

For **DUTTA SARKAR & CO.**
Chartered Accountants
(Firm's Registration No.- 303114E)

Place : Kolkata
Dated: 28 May 2019

(Mainak Chakrabarti)
Partner
Membership No.- 063052

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BALMER LAWRIE & COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of consolidated financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Balmer Lawrie & Company Limited, Kolkata for the year ended 31 March 2019 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Balmer Lawrie & Company Limited and its subsidiary viz., Visakhapatnam Port Logistics Park Limited but did not conduct supplementary audit of the financial statements of the subsidiaries, associate companies and jointly controlled entities as detailed in Annexure for the year ended on that date. **Further, section 139(5) and 143(6)(a) of the Act are not applicable to the entities as detailed in Annexure being private entities / entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

(Suparna Deb)
Director General of Commercial Audit &
Ex-officio Member, Audit Board-I, Kolkata

Place: Kolkata.
Date : 06-08-2019

Annexure

Name of Subsidiary, Associate and Joint Venture Companies whose supplementary audit of the financial statements was not conducted by the Comptroller & Auditor General of India for the year ended 31.03.2019.

Sl. No.	Name of the Subsidiary / Associate Companies	Name of relationship	Type of Entity
1.	Balmer Lawrie (UK) Limited	Subsidiary	Foreign Company
2.	Balmer Lawrie (UAE) Llc.	Joint Venture	Foreign Company
3.	P T Balmer Lawrie Indonesia	Joint Venture	Foreign Company
4.	Balmer Lawrie – Van Leer Limited	Joint Venture	Private Company
5.	Transafe Services Limited	Joint Venture	Private Company
6.	Avi-Oil India Private Limited	Associate	Private Company

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

	Particulars	Note No	As at 31 March 2019	As at 31 March 2018
	ASSETS			
(1)	**Non-Current Assets**			
	(a) Property, Plant and Equipment	2	**56,319.08**	40,375.07
	(b) Capital work-in-progress		**11,717.60**	13,806.59
	(c) Investment Property	3	**111.39**	113.54
	(d) Goodwill	4	**0.00**	0.00
	(e) Other Intangible assets	4	**391.08**	527.27
	(f) Intangible assets under development		**—**	—
	(g) Financial Assets			
	(i) Investments	5	**32,506.53**	29,260.38
	(ii) Loans	6	**420.89**	428.29
	(iii) Others	7	**775.27**	554.61
	(h) Deferred tax Assets (net)	8	**—**	—
	(i) Other Non Current Assets	9	**8,309.39**	8,188.47
	Total Non Current Assets		**110,551.23**	93,254.22
(2)	**Current Assets**			
	(a) Inventories	10	**14,293.31**	13,663.32
	(b) Financial Assets			
	(i) Trade Receivables	11	**27,629.10**	26,978.33
	(ii) Cash & cash equivalents	12	**5,336.73**	7,591.53
	(iii) Other Bank Balances	13	**39,071.11**	43,007.56
	(iv) Loans	14	**474.14**	262.66
	(v) Others	15	**24,775.38**	27,202.28
	(c) Other Current Assets	16	**5,922.11**	7,131.61
	Total Current Assets		**117,501.88**	125,837.29
	Total Assets		**228,053.11**	219,091.51
	EQUITY AND LIABILITIES			
	Owners Equity			
	(a) Equity Share Capital	17	**11,400.25**	11,400.25
	(b) Other Equity	18	**140,552.84**	134,293.86
			151,953.09	145,694.11
	MINORITY INTEREST			
	Equity attributable to Non Controlling Interest			
	(a) Equity Share Capital		**5,402.60**	5,402.60
	(b) Other Equity	18	**(344.02)**	(121.38)
	Total Equity		**5,058.58**	5,281.22
	LIABILITIES			
(1)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	19	**7,608.24**	1,115.99
	(ii) Trade Payables	19	**—**	—
	(iii) Other Financial Liabilities	19	**7.70**	49.82
	(b) Provisions	20	**4,162.43**	3,777.48
	(c) Deferred Tax Liabilities (net)	8	**7,364.03**	6,314.76
	(d) Non Financial Liabilities - Others	21	**260.51**	7.06
	Total Non Current Liabilities		**19,402.91**	11,265.11
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	22	**306.39**	374.35
	(ii) Trade Payables			
	-Total outstanding dues of Micro and small enterprises	22	**324.16**	199.31
	-Total outstanding dues of creditors other than Micro and small enterprises	22	**28,974.92**	31,638.25
	(iii) Other Financial Liabilities	23	**12,988.74**	15,601.86
	(b) Non-Financial Liabilities-Others	24	**5,235.18**	6,046.78
	(c) Provisions	25	**1,638.56**	504.33
	(d) Current Tax Liabilities (net)	26	**2,170.58**	2,486.19
	Total Current Liabilities		**51.638.53**	56,851.07
	Total Equity and Liabilities		**228,053.11**	219,091.51

Summary of significant accounting policies 1

The accompanying notes are integral part of the financial statements.

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

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Kavita Bhavsar
Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019
(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Note No	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from Operations	27	177,520.81	175,653.80
Other Income	28	5,779.29	5,063.76
Total Income		183,300.10	180,717.56
Expenses			
Cost of materials consumed & services rendered	29	110,530.18	105,749.72
Purchase of stock-in-trade	30	329.45	712.43
Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	343.82	1,199.19
Excise Duty on sales		—	3,303.94
Employee Benefits Expenses	32	21,270.38	19,820.49
Finance costs	33	712.37	422.73
Depreciation and amortisation expense	34	3,031.25	2,689.55
Other expenses	35	22,425.44	22,989.54
Total Expense		158,642.89	156,887.59
Profit before exceptional items and tax		24,657.21	23,829.97
Exceptional Items		—	—
Profit Before Tax		24,657.21	23,829.97
Tax expense			
Current Tax	36	8,122.58	5,810.59
Deferred Tax	8	424.13	1,538.00
Profit for the period from Continuing Operations		16,110.50	16,481.38
Profit/(Loss) from Discontinued Operations		—	—
Tax expense of Discontinued Operations		—	—
Profit/(Loss) from Discontinued Operations after Tax		—	—
Profit/(Loss) for the period - Attributable to Owners		16,333.14	16,522.17
Profit/(Loss) for the period - Attributable to Non controlling Interest		(222.64)	(40.79)
Other Comprehensive Income	37		
A i) Items that will not be reclassified to profit and loss		(925.66)	238.88
ii) Income tax relating to items that will not be reclassified to profit or loss		323.46	(82.67)
B i) Items that will be reclassified to profit or loss		—	—
ii) Income tax relating to items that will be reclassified to profit or loss		—	—
Total Comprehensive Income for the period (Comprising Profit /(Loss) and Other Comprehensive Income for the period)		15,508.30	16,637.59
Earnings per equity share (for continuing operation):	38		
(1) Baic (₹)		14.13	14.46
(2) Diluted (₹)		14.13	14.46
Earnings per equity share (for discontinued operation):			
(1) Basic (₹)		—	—
(2) Diluted (₹)		—	—
Earnings per equity share (for discontinued & continuing operations):			
(1) Basic (₹)		14.13	14.46
(2) Diluted (₹)		14.13	14.46

Summary of significant accounting policies 1

The accompanying notes are integral part of the financial statements.

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

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars		Year ended 31 March, 2019	Year ended 31 March, 2018
Cash Flow from Operating Activities			
Net profit before tax		**24,657**	23,830
Adjustments for:			
Depreciation and amortisation		**3,031**	2,690
Impairment of Assets		**19**	1,071
Write off/Provision for doubtful trade receivables (Net)		**(103)**	(2,909)
Write off/Provision for Inventories (Net)		46	(36)
Other Write off/Provision (Net)		**301**	2,814
(Gain)/ Loss on sale of fixed assets (Net)		**(6)**	11
(Gain)/ Loss on fair valuation of Investments (Net)		**(634)**	—
Interest income		**(2,865)**	(3,559)
Dividend Income		**(3)**	(3)
Finance costs		**712**	423
Operating cash flows before working capital changes		**25,155**	24,332
Changes in operating assets and liabilities			
(Increase)/Decrease in trade receivables		**(548)**	4,091
(Increase)/Decrease in non current assets		**2,896**	2,050
(Increase)/Decrease in Inventories		**(676)**	1,542
(Increase)/Decrease in other short term financial assets		**1,915**	(9,126)
(Increase)/Decrease in other current assets		**1,081**	795
Increase/(Decrease) in trade payables		**(2,418)**	1,154
Increase/(Decrease) in long term provisions		**385**	(1,802)
Increase/(Decrease) in short term provisions		**449**	(1,256)
Increase/(Decrease) in other liabilities		**417**	(433)
Increase/(Decrease) in other current liabilities		**(812)**	(827)
Cash flow generated from Operations		**27,844**	20,520
Income taxes paid (Net of refunds)		**(8,438)**	(7,648)
Net cash flow from Operating Activities	**A**	**19,406**	12,872
Cash flow from Investing Activities			
Purchase or construction of Property, plant and equipment		**(19,724)**	(10,265)
Purchase of Investments		**(1,162)**	—
Proceeds on sale of Property, plant and equipment		**(369)**	23
Proceeds on sale of Investment		**634**	—
Bank deposits (having original maturity of more than three months) (net)		**4,065**	4,754
Interest received		**2,865**	3,559
Dividend received		**3**	3
Net cash generated from Investing Activities	**B**	**(13,688)**	(1,926)
Cash flow from Financing Activities			
Proceeds from borrowings		**—**	—
Repayment of long-term borrowings		**—**	—
Dividend paid (including tax on dividend)		**(13,685)**	(9,647)
Loans taken		**6,424**	1,490
Loans given		**—**	—
Finance cost paid		**(712)**	(423)
Net cash used by Financing Activities	**C**	**(7,973)**	(8,580)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		**(2,255)**	2,367
Cash and cash equivalents at the beginning of the year		**7,592**	5,225
Cash and cash equivalents at the end of the year		**5,337**	7,592
Movement in cash balance		**(2,255)**	2,367
Reconciliation of cash and cash equivalents as per cash flow statement			
Cash and cash equivalents as per above comprise of the following			
Cash on hand		**4**	4
Balances with banks			
On current accounts		**5,333**	7,588
On deposits with original maturity upto 3 months		**—**	—
		5,337	7,592

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

D Sothi Selvam
K Swaminathan
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Vijay Sharma
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Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Kavita Bhavsar
Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Balance at the beginning of the reporting period	Bonus shares issued during the year	Balance at the end of reporting period
Equity Share Capital	11,400.25	–	11,400.25

B. Other Equity

	Reserves and Surplus					Total
	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other Comprehensive Income Reserve	
Balance as at 1 April 2017	**3,626.77**	**35,603.82**	**84,424.80**	**1,034.85**	**45.65**	**124,735.89**
Profit for the year	–	–	16,637.59	–	–	16,637.59
Bonus shares issued	–	–	–	–	–	–
Dividends paid	–	–	(7,980.18)	–	–	(7,980.18)
Dividend Tax paid	–	–	(1,669.77)	–	–	(1,669.77)
Transfers	–	–	(121.38)	–	–	(121.38)
Retained earnings adjustment	–	–	2,597.27	–	–	2,597.27
Remeasurement gain/ loss during the year	–	–	(156.21)	74.77	54.49	(26.95)
Balance as at 31 March 2018	**3,626.77**	**35,603.82**	**93,732.13**	**1,109.62**	**100.14**	**134,172.48**
Balance as at 1 April 2018	**3,626.77**	**35,603.82**	**93,732.13**	**1,109.62**	**100.14**	**134,172.48**
Profit for the year	–	–	15,508.30	–	–	15,508.30
Bonus shares issued	–	–	–	–	–	–
Dividends paid	–	–	(11,400.26)	–	–	(11,400.26)
Dividend Tax paid	–	–	(2,413.43)	–	–	(2,413.43)
Transfers	–	–	(344.02)	–	–	(344.02)
Retained earnings adjustment	–	–	4,288.92	–	–	4,288.92
Remeasurement gain/ loss during the year	–	–	602.20	(83.40)	(121.97)	396.83
Balance as at 31 March 2019	**3,626.77**	**35,603.82**	**99,973.84**	**1,026.22**	**(21.83)**	**140,208.82**

This is the statement of Changes in Equity referred to in our report of even date.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

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Arun Tandon
Directors

Kavita Bhavsar
Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The group is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government Company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

Basis of Preparation

The consolidated financial statements relates to the Company along with its subsidiaries and its interest in joint ventures and associates (collectively referred to as the 'Group') and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Group has uniformly applied the accounting policies during the period presented. These are the Group's financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lakhs of Rupees.

All assets and liabilities have been classified as current or non-current as per the groups normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The consolidated financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated financial statements have been prepared using the accounting policies and measurement basis summarized below.

1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

1.2 Basis of consolidation

<u>**Subsidiaries**</u>

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Joint ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Group's balance sheet.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method

In consolidated financial statements, the carrying amount of the investment is adjusted to recognize changes in the group's share of net assets of the joint venture/associate. Goodwill relating to the joint venture/associate is included in the carrying amount of the investment and is not tested for impairment individually.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

1.3 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured/constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in-Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Plant, Property & Equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Property, Plant & Equipment other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, Plant & Equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Plant and Machinery, is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	6.67 years
Sofa, Photocopier, Fax machines, Motor Cars & Machine Spares	5 years

The residual values of all assets are taken as NIL.

1.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

1.5 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- Financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Group's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Group has a diversified portfolio of trade receivables from its different segments. Every business segment of the Group has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Group as a whole, The Group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

1.6 Inventories

a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.

c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.

d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.

e) Loose Tools are written-off over the economic life except items costing upto ₹ 10,000 which are charged off in the year of issue.

1.7 Employee benefits

(i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

(ii) Post-employment obligations

Defined Contribution plans

Provident Fund: the group transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund: wherever applicable the group contributes a sum equivalent to fixed percentage of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

1.8 Government grants

a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.9 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

1.10 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the group, and makes strategic decisions and have identified business segment as its primary segment.

1.11 Provisions, Contingent liabilities and Capital commitments

a) Provision is recognised 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 in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.

b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group.

c) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

1.12 Intangible assets

a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.

b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.

c) Goodwill on acquisition is not amortised but tested for impairment annually.

d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

1.13 Accounting for Research & Development

a) Revenue expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.

b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

1.14 Treatment of Grant/Subsidy

a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.

b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.

c) When grant/subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.

d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

1.15 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

1.16 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.17 Leases

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Group obtains ownership of the asset at the end of the lease term. Where the Group is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

1.18 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

Sale of goods:

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Services rendered:

a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.

b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.

c) In cases where the Group collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

Other income:

a) Interest on a time proportion basis using the effective interest rate method.

b) Dividend from investments in shares on establishment of the Group's right to receive.

c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement.

d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The group accounts for volume discounts and pricing incentives to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the group.

As a practical expedient, as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

Significant payment terms:

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

1.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

1.20 Cash flow statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.21 Prior period items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or

b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

c) Any items exceeding rupees twenty five Lakhs (₹ 25 Lakhs) shall be considered as material prior period item.

d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period).

1.22 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Note No. 2

PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Property, Plant and Equipment												
	Land - Freehold	Land - Leasehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles	Total
Gross block													
Balance as at 1 April 2018	2,419.41	3,203.81	16,121.66	17,157.99	29.06	2,874.72	812.66	1,843.42	1,824.33	621.68	238.33	376.47	47,523.53
Additions	—	—	13,279.05	2,435.20	4.71	1,415.07	335.73	232.67	267.16	90.60	777.78	26.51	18,864.48
Inter Asset Adjustment	—	—	—	—	—	—	—	—	—	—	—	—	—
Disposal of Assets	—	—	0.17	50.57	12.55	60.62	34.96	15.85	1.55	0.16	—	40.11	216.54
Balance as at Mar 31 2019	**2,419.41**	**3,203.81**	**29,400.54**	**19,542.61**	**21.22**	**4,229.17**	**1,113.43**	**2,060.24**	**2,089.94**	**712.12**	**1,016.11**	**362.87**	**66,171.47**
Accumulated depreciation													
Balance as at 1 April 2018	—	189.47	1,230.10	2,509.96	20.05	949.30	230.53	944.67	466.92	222.64	62.82	322.00	7,148.46
Depreciation charge for the year	—	63.56	770.54	847.28	2.82	376.68	103.49	364.62	203.02	84.01	29.77	28.16	2,873.94
Impairment	—	—	5.82	13.54	—	—	—	—	—	—	—	—	19.36
Inter Asset Adjustment	—	—	—	—	—	(0.34)	—	0.34	—	—	—	—	—
Disposal of Assets	—	—	0.13	40.88	12.55	57.17	28.05	14.77	1.16	0.16	(0.13)	34.64	189.38
Balance as at Mar 31 2019	**—**	**253.03**	**2,006.33**	**3,329.90**	**10.32**	**1,268.47**	**305.97**	**1,294.86**	**668.78**	**306.49**	**92.72**	**315.52**	**9,852.38**
Net block as at Mar 31 2019	**2,419.41**	**2,950.78**	**27,394.21**	**16,212.71**	**10.90**	**2,960.70**	**807.46**	**765.38**	**1,421.16**	**405.63**	**923.39**	**47.36**	**56,319.08**
Net block as at Mar 31 2018	**2,419.41**	**3,014.34**	**14,891.56**	**14,648.03**	**9.01**	**1,925.42**	**582.13**	**898.75**	**1,357.41**	**399.04**	**175.51**	**54.48**	**40,375.07**

Note No. 3

INVESTMENT PROPERTIES

(₹ in lakhs)

Gross carrying amount	
Balance as at 1 April 2017	66.14
Additions	52.27
Disposals/adjustments	–
Balance as at 31 March 2018	**118.41**
Net Investment Property - Reclassified	–
Balance as at 31 March 2019	**118.41**
Accumulated Depreciation	
At 1 April 2017	4.26
Depreciation charge for the year	1.45
Disposals/adjustments for the year	(0.84)
Balance as at 31 March 2018	**4.87**
Depreciation charge for the year	2.16
Investment Property - reclassified	–
Balance as at 31 March 2019	**7.02**
Net book value as at 31 March 2019	**111.39**
Net book value as at 31 March 2018	**113.54**

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2019 or previous year ended 31 March 2018.

(iii) Restrictions

There are no restrictions on remittance of income receipts or receipt of proceeds from disposals.

(iv) Amount recognised in profit and loss for investment properties

(₹ in lakhs)

	31 March 2019	31 March 2018
Rental income	**244.40**	176.13
Less: Direct operating expenses that generated rental income	**201.01**	47.44
Less: Direct operating expenses that did not generated rental income	**103.78**	96.79
Profit from leasing of investment properties	**(60.38)**	31.90

(v) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

(vi) Fair value

(₹ in lakhs)

Particulars	**31 March 2019**	31 March 2018
Fair value	**4,168.59**	4,168.59

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

b) discounted cash flow projections based on reliable estimates of future cash flows.

c) restrictions on remittance of income receipts or receipt of proceeds from disposals.

d) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

e) The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

Note No. 4

OTHER INTANGIBLE ASSETS

(₹ in lakhs)

	Goodwill	Softwares	Brand Value	Total
Gross Carrying Amount				
Balance as at 1 April 2017	689.32	646.24	332.63	978.88
Additions	–	98.94	–	98.94
Disposals/adjustments	–	0.01	–	0.01
Balance as at 31 March 2018	**689.32**	**745.19**	**332.63**	**1,077.83**
Additions	–	18.96	–	18.96
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2019	**689.32**	**764.15**	**332.63**	**1,096.79**
Accumulated Amortisation				
Balance as at 1 April 2017	–	273.28	76.00	349.28
Amortisation charge for the year	–	163.28	38.00	201.28
Impairment	689.32	–	–	–
Disposals/adjustments for the year	–	–	–	–
Balance as at 31 March 2018	**689.32**	**436.56**	**114.00**	**550.56**
Amortisation charge for the year	–	117.15	38.00	155.15
Disposals/adjustments for the year	–	–	–	–
Impairment	–	–	–	–
Balance as at 31 March 2019	**689.32**	**553.71**	**152.00**	**705.71**
Net book value as at 31 March 2019	**–**	**210.44**	**180.63**	**391.08**
Net book value as at 31 March 2018	**–**	**308.63**	**218.63**	**527.27**

Note No. 5

NON CURRENT INVESTMENT
Unquoted, unless otherwise stated

(₹ in lakhs)

Name of the Body Corporate	As at 31 March 2019		As at 31 March 2018	
	No of Shares	**Amount**	No of Shares	Amount
Trade Investments				
Investment in Equity Instruments				
(Fully paid stated at Cost)				
In Joint Venture Companies				
Balmer Lawrie - Van Leer Ltd. (Ordinary equity shares of ₹ 10 each)	**8,601,277**	**7,113.20**	8,601,277	6,817.52
Transafe Services Ltd. (Ordinary equity shares of ₹ 10 each)	**11,361,999**	**1,165.12**	11,361,999	1,165.12
Less Provision for diminution in value (Carried in books at a value of ₹ 1 only)		**(1,165.12)**		(1,165.12)
PT Balmer Lawrie Indonesia (Equity share of par value of Indonesian Rupiah (IDR) 10,000 each)	**2,000,000**	**–**	–	–
In Subsidiary Company				
Balmer Lawrie (UK) Ltd. (Ordinary Shares of GBP 1 each)	**100**	**–**	1,797,032	–
Vishakapatnam Port Logistics Park Ltd. (Ordinary Shares of each ₹ 10 each)	**81,038,978**	**–**	81,038,978	–
In Associate Company				
Balmer Lawrie (UAE) LLC (Shares of AED 1,000 each)	**9,800**	**23,651.76**	9,800	20,961.23
AVI-OIL India (P) Ltd. (Equity shares of ₹ 10 each)	**4,500,000**	**1,592.07**	4,500,000	1,467.17
Investments in Preference Shares				
(Fully paid stated at Cost)				
Transafe Services Ltd. (Cumulative Redeemable Preference shares of ₹ 10 each)	**13,300,000**	**1,330.00**	13,300,000	1,330.00
Less: Provision for diminution in value		**(1,330.00)**		(1,330.00)
Total		**32,357.03**		29,245.92
Other Investments				
Bridge & Roof Co. (India) Ltd. ** (Equity shares of ₹ 10 each)	**357,591**	**14.01**	357,591	14.01
Biecco Lawrie Ltd ** (Carried in books at a value of ₹ 1 only)	**195,900**	**–**	195,900	–
Woodlands Multispeciality Hospitals Ltd. (Equity shares of ₹ 5 each)	**8,850**	**0.45**	8,850	0.45
Kanpur Flowercycling Pvt Ltd. (Equity shares of ₹ 10 each)	**626**	**60.05**	–	–
RC Hobbytech Solution Pvt Ltd. (Equity shares of ₹1350 each)	**5,555**	**74.99**	–	–
Total		**149.50**		14.46
Total		**32,506.53**		29,260.38
Aggregate amount of quoted investments at cost		**–**		–
Aggregate amount of unquoted investments at cost		**32,506.53**		29,260.38
		32,506.53		29,260.38

**These investments are carried at fair value through Profit and Loss and their carrying value approximates their fair value.

Note No. 6

LOANS

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Financial Assets (Non-Current)		
Loans		
Secured considered good		
Security Deposits		
Loans to Related Parties		
Key Managerial Persons (KMP)		
Other Loans	**240.89**	248.29
Unsecured considered good		
Security Deposits		
Loans to Related Parties		
Transafe Services Ltd	**180.00**	180.00
Other Loans		
Credit Impaired		
Security Deposits	**16.67**	–
Loans to Related Parties		
Balmer Lawrie Van Leer Ltd	**–**	–
Others to Related Parties	**–**	–
Others	**8.25**	8.25
Provision for Credit Impaired Loans		
Security Deposits	**(16.67)**	–
Loans to Related Parties	**–**	–
Others to Related Parties	**–**	–
Others	**(8.25)**	(8.25)
Total	**420.89**	428.29

Note No. 7

OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Accrued Income	**–**	–
Security Deposits	**690.46**	496.06
Other Receivables	**84.81**	58.55
Dues from Related Parties - Doubtful		
Transafe Services Ltd	**80.87**	80.87
Less: Provision	**(80.87)**	(80.87)
Total	**775.27**	554.61

Note No. 8
DEFERRED TAX

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Deferred tax liability arising on account of :		
Property, plant and equipment	**(6,157.70)**	(5,089.96)
Deferred tax asset arising on account of :		
Adjustment for VRS expenditure	**118.49**	299.05
Provision for loans, debts, deposits & advances	**2,885.22**	2,135.48
Defined benefit plans	**1,221.38**	718.82
Provision for Inventory	**139.88**	122.81
Provision for dimunition in investment	**871.89**	863.17
Net Liability due to profit transfer of Group Companies	**(6,444.79)**	(5,496.19)
Impairment of assets	**6.77**	132.06
Others	**(5.17)**	–
Total	**(7,364.03)**	(6,314.76)

Movement in Deferred Tax Liabilities

Particulars	As at 31 March 2018	Recognised in profit and loss	Recognised in Other Comprehensive Income	As at 31 March 2019
Property, plant and equipment	(5,089.96)	(1,067.74)	–	**(6,157.70)**
Adjustment for VRS expenditure	299.05	(180.56)	–	**118.49**
Provision for loans, debts, deposits & advances	2,135.48	749.74	–	**2,885.22**
Defined benefit plans	718.82	179.10	323.46	**1,221.38**
Provision for Inventory	122.81	17.07	–	**139.88**
Provision for dimunition in investment	863.17	8.72	–	**871.89**
Net Liability due to profit transfer of Group Companies	(5,496.19)	–	(948.60)	**(6,444.79)**
Impairment of assets	132.06	(125.29)	–	**6.77**
Others	–	(5.17)	–	**(5.17)**
Total	**(6,314.76)**	**(424.13)**	**(625.14)**	**(7,364.03)**

Note No. 9

NON FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Capital Advances	**177.40**	152.81
Balances with Government Authorities	**267.14**	263.13
Prepaid Expenses	**7,781.56**	7,670.65
Others	**83.29**	101.88
Total	**8,309.39**	8,188.47

Note No. 10

INVENTORIES

(₹ in lakhs)

Raw Materials and components	**9,352.96**	8,556.08
Goods-in-transit	**–**	1.00
Slow moving & Non moving	**168.45**	175.09
Less: Adjustment for Slow & Non moving	**(121.06)**	(131.12)
Total - Raw Materials and components	**9,400.35**	8,601.05
Work in Progress	**966.40**	1,286.44
Slow moving & Non moving	**–**	1.38
Less: Adjustment for Slow & Non moving	**–**	(0.75)
Total - Work in Progress	**966.40**	1,287.07
Finished goods	**2,882.55**	2,933.91
Goods-in-transit	**120.74**	114.22
Slow moving & Non moving	**199.05**	150.58
Less: Adjustment for Slow & Non moving	**(118.09)**	(91.31)
Total - Finished Goods	**3,084.25**	3,107.40
Stores and Spares	**770.82**	625.03
Slow moving & Non moving	**232.64**	174.44
Less: Adjustment for Slow & Non moving	**(161.15)**	(131.67)
Total - Stores & Spares	**842.31**	667.80
Total	**14,293.31**	13,663.32

[Refer to Point No.1.6 of "Significant Accounting Policies" for method of valuation of inventories]

Note No. 11
TRADE RECEIVABLES

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Trade Receivables		
Considered Good - Unsecured	**27,629.10**	26,978.33
Credit impaired	**1,279.07**	809.62
Less: Provision for Credit impaired receivables	**(1.279.07)**	(809.62)
Total	**27,629.10**	26,978.33

Note No. 12
CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Cash in hand	**3.75**	3.94
Cheques in hand	**–**	–
Balances with Banks - Current Account	**5,332.98**	7,587.59
Total	**5,336.73**	7,591.53

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

Note No. 13
OTHER BANK BALANCES

(₹ in lakhs)

Unclaimed Dividend Accounts	**363.19**	234.67
Bank Term Deposits	**38,630.13**	42,703.13
Margin Money deposit with Banks	**77.79**	69.76
Total	**39,071.11**	43,007.56

Note No. 14
LOANS

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Financial Assets (Current)		
Loans		
Secured considered good		
Security Deposits		
Advances to Related Parties*		
Other Loans (to employees)	**53.45**	85.01
Unsecured considered good		
Security Deposits		
Other Loans and advances (to employees)	**30.70**	19.61
Other Loans and advances	**389.99**	158.04
Total	**474.14**	262.66

* Advances to related parties are in the course of regular business transactions

Note No. 15
OTHER FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

Unsecured		
Accrued Income	**2,226.70**	2,240.70
Security Deposits	**908.38**	841.46
Other Receivables - considered good	**21,640.30**	24,120.12
Other Receivables - credit impaired	**2,758.79**	2,219.34
Less - Provision for credit impaired receivables	**(2,758.79)**	(2,219.34)
Total	**24,775.38**	27,202.28

Note No. 16
NON FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

Balances with Government Authorities	**1,612.19**	1,519.81
Prepaid Expenses	**848.11**	963.61
Advances to Contractors & Suppliers - Good	**2,011.60**	1,706.64
Advances to Contractors & Suppliers - Doubtful	**716.06**	823.85
Less: Provision for Doubtful Advances	**(716.06)**	(823.85)
Other Advances to related parties	**–**	–
Others	**1,450.21**	2,941.55
Total	**5,922.11**	7,131.61

Note No. 17

EQUITY SHARE CAPITAL

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Authorised Capital		
300,000,000 (previous year 120,000,000) equity shares of ₹ 10 each	**30,000.00**	12,000.00
	30,000.00	12,000.00
Issued and Subscribed Capital		
114,002,564 (previous year 114,002,564) equity shares of ₹ 10 each	**11,400.25**	11,400.25
Paid-up Capital		
114,002,564 (previous year 114,002,564) equity shares of ₹ 10 each	**11,400.25**	11,400.25
	11,400.25	11,400.25

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	As at 31 March 2019		As at 31 March 2018	
	No of shares	**Amount**	No of shares	Amount
Equity shares at the beginning of the year	**114,002,564**	**11,400.25**	114,002,564	11,400.25
Bonus shares issued during the year	**–**	**–**	–	–
Equity shares at the end of the year	**114,002,564**	**11,400.25**	114,002,564	11,400.25

b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2019		As at 31 March 2018	
	No of shares	**% holding**	No of shares	% holding
Equity shares of ₹ 10 each fully paid up				
Balmer Lawrie Investments Ltd.	**70,452,900**	**61.80%**	70,452,900	61.80%

i) There are no other shareholders holding 5% or more in the issued share capital of the Company.

Note No. 18

OTHER EQUITY

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Securities Premium	**3,626.77**	3,626.77
General Reserve	**35,603.82**	35,603.82
Retained Earnings	**99,973.84**	93,732.13
Foreign Currency Translation Reserve	**1,026.22**	1,109.62
Other Comprehensive Income Reserve	**(21.83)**	100.14
Total Reserve	**140,208.82**	134,172.48

	For the year 31 March 2019	For the year 31 March 2018
Securities Premium		
Opening balance	**3,626.77**	3,626.77
Add: Shares issued during the year	**–**	–
Sub total (A)	**3,626.77**	3,626.77
General Reserve		
Opening balance	**35,603.82**	35,603.82
Less : Bonus Shares issued	**–**	–
Amount transferred from retained earnings	**–**	–
Sub total (B)	**35,603.82**	35,603.82
Retained Earnings		
Opening balance	**93,732.13**	84,424.80
Add : Net profit for the year	**15,508.30**	16,637.59
Less : Appropriations		
Transfer to general reserve	**(344.02)**	(121.38)
Equity dividend	**(11,400.26)**	(7,980.18)
Tax on equity dividend	**(2,413.43)**	(1,669.77)
Re-measurement Gain/Loss	**602.20**	(156.21)
Other adjustment	**4,288.92**	2,597.27
Net surplus in Retained Earnings (C)	**99,973.84**	93,732.13
Foreign Currency Translation Reserve		
Opening balance	**1,109.62**	1,034.85
Movement	**(83.40)**	74.77
Sub total (D)	**1,026.22**	1,109.62
Other Comprehensive Income (OCI) Reserve		
Opening balance	**100.14**	45.65
Movement	**(121.97)**	54.49
Sub total (E)	**(21.83)**	100.14
Total (A+B+C+D+E)	**140,208.82**	134,172.48

Total Reserves - 2019	**140,208.82**
Total Reserves - 2018	**134,172.48**

Nature and purpose of Other Reserves

Securities Premium

Securities Premium represents premium received on issue of shares. This shall be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained Earnings are the portion of company's net income that is left out after distributing dividends to shareholders. These are kept aside by the company for reinvesting it in the main business.

Foreign Currency Translation Reserve

This is generated on account of two principal reasons

(i) The amount generated out of conversion of balance sheet items at year end rate and P&L items at average rate.

(ii) The amount generated on account of difference of conversions between previous year and current year rates.

Other Comprehensive Income (OCI) Reserve

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income.

Note No. 19

NON CURRENT LIABILITIES

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Financial Liabilities (Non-Current)		
Borrowings	**7,608.24**	1,115.99
Trade Payable	**–**	–
Other Financial Liabilities		
Deposits	**7.70**	49.82
Other Liabilities	**–**	–
Total	**7,615.94**	1,165.81

The Company has availed Term Loan of ₹ 15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant-in-aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 equal instalments starting from 18 months from the date of first drawal.

VPLPL a subsidiary of the company has availed ₹ 65.47 Crs as loan out of sanctioned loan of ₹ 125 Crs at a rate of 10 basis point above three months MCLR rate. This loan is secured by first charge on the entire fixed assets (present and future) of VPLPL and equitable mortgage on the leasehold right of project land.

Note No. 20

PROVISIONS (NON-CURRENT)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Actuarial Provision	**2,249.76**	1,942.85
Long term Provisions	**1,912.67**	1,834.63
Total	**4,162.43**	3,777.48

Note No. 21
NON FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Advance from Customers	**3.55**	3.55
Others	**256.96**	3.51
Total	**260.51**	7.06

Note No. 22
FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

Borrowings*	**306.39**	374.35
Trade Payable		
Payable to MSME	**324.16**	199.31
Other Trade Payable	**28,974.92**	31,638.25
Total	**29,299.08**	31,837.56

*Borrowings Refer details given in Note No. 19

Note No. 23
OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

Unclaimed Dividend *	**363.19**	234.67
Security Deposits	**3,527.11**	3,192.94
Payable to Related Parties	**–**	–
Other Liabilities	**9,098.44**	12,174.25
Total	**12,988.74**	15,601.86

* There is no amount due and outstanding as at Balance Sheet date to be credited to Investor Education and Protection Fund

Note No. 24
NON FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

Advance from Customers	**1,141.58**	1,247.06
Statutory Dues	**508.53**	659.98
SDC Credit Balance	**–**	–
Deferred Gain/Income	**168.43**	181.66
Other Liabilities	**3,416.64**	3,958.08
Total	**5,235.18**	6,046.78

Note No. 25
CURRENT PROVISIONS

(₹ in lakhs)

Actuarial Provision	**432.19**	341.39
Short term Provisions	**1,206.37**	162.94
Total	**1,638.56**	504.33

Note No. 26
CURRENT TAX LIABILITIES

(₹ in lakhs)

Provision for Taxation (Net of advance)	**2,170.58**	2,486.19
Total	**2,170.58**	2,486.19

Note No. 27

REVENUE FROM OPERATIONS

(₹ in lakhs)

	For The Year Ended 31 March 2019	For The Year Ended 31 March 2018
Sale of Products	**105,997.18**	103,434.78
Sale of Services	**64,966.57**	65,973.00
Sale of Trading Goods	**329.45**	714.68
Other Operating Income	**6,227.61**	5,531.34
Total	**177,520.81**	175,653.80

Note No. 28

OTHER INCOME

(₹ in lakhs)

Interest Income		
Bank Deposits	**2,785.93**	2,808.74
Others	**232.75**	103.71
	3,018.68	2,912.45
Dividend Income	**3.15**	3.19
Other Non-operating Income		
Profit on Disposal of Fixed assets	**22.28**	14.04
Profit on Disposal of Investments	**634.49**	–
Unclaimed balances and excess provision written back	**1,068.77**	1,389.06
Gain on Foreign Currency Transactions (net)	**366.57**	265.80
Miscellaneous Income	**665.35**	479.22
Other Non-operating Income	**2,757.46**	2,148.12
Total	**5,779.29**	5,063.76

Note No. 29

COST OF MATERIALS CONSUMED & SERVICES RENDERED

(₹ in lakhs)

Cost of Materials Consumed	**74,752.68**	68,601.55
Cost of Services Rendered	**35,777.50**	37,148.17
Total	**110,530.18**	105,749.72

Note No. 30

PURCHASE OF TRADING GOODS

(₹ in lakhs)

Trading Goods	**329.45**	712.43
Total	**329.45**	712.43

Note No. 31

CHANGES IN INVENTORIES OF TRADING GOODS, WORK-IN-PROGRESS AND FINISHED GOODS

(₹ in lakhs)

		For the year ended 31 March 2019	For the year ended 31 March 2018
Change in Work In Progress			
	Opening	**1,287.07**	1,104.66
	Closing	**966.40**	1,287.07
	Change	**320.67**	(182.41)
Change in Finished Goods			
	Opening	**3,107.40**	4,489.00
	Closing	**3,084.25**	3,107.40
	Change	**23.15**	1,381.60
Total		**343.82**	1,199.19

Note No. 32

EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Salaries and Incentives	**17,463.57**	16,074.76
Contributions to Provident & Other Funds	**2,187.10**	2,266.96
Staff Welfare Expenses	**1,619.71**	1,478.77
Total	**21,270.38**	19,820.49

Note No. 33

FINANCE COSTS

(₹ in lakhs)

Interest Cost	**558.10**	288.61
Bank Charges*	**154.27**	134.12
Total	**712.37**	422.73

* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

Note No. 34

DEPRECIATION & AMORTISATION EXPENSES

(₹ in lakhs)

Depreciation on:-		
Property Plant & Equipment	**2,873.94**	2,486.82
Investment Properties	**2.16**	1.45
Amortisation of Intangible Assets	**155.15**	201.28
Total	**3,031.25**	2,689.55

Note No. 35
OTHER EXPENSES

(₹ in lakhs)

	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Manufacturing Expenses	**1,679.77**	1,493.78
Consumption of Stores and Spares	**889.24**	896.69
Repairs & Maintenance - Buildings	**276.50**	611.37
Repairs & Maintenance - Plant & Machinery	**414.73**	367.64
Repairs & Maintenance - Others	**561.95**	571.95
Power & Fuel	**2,563.00**	2,342.15
Electricity & Gas	**407.47**	406.82
Rent	**1,372.32**	1,045.73
Insurance	**270.21**	249.90
Packing, Despatching, Freight and Shipping Charges	**4,257.08**	4,484.51
Rates & Taxes	**161.28**	111.23
Auditors Remuneration and Expenses	**27.46**	26.42
Impairment of assets	**19.36**	1,070.91
Write Off of Debt, Deposits, Loan & Advances	**481.97**	3,098.92
Provision for Doubtful Debts & Advances	**1,561.07**	1,132.84
Fixed Assets Written Off	**12.40**	16.05
Loss on Disposal of Fixed Assets	**406.04**	9.37
Selling Commission	**409.89**	680.03
Cash Discount	**340.22**	309.27
Travelling Expenses	**988.33**	969.33
Printing and Stationery	**297.03**	232.87
Motor Car Expenses	**153.71**	153.61
Communication Charges	**286.73**	328.62
Corporate Social Responsibility Expenses	**516.24**	438.34
Miscellaneous Expenses	**4,847.30**	4,914.30
	23,201.30	25,962.65
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back	**(775.86)**	(2,973.11)
Total	**22,425.44**	22,989.54

Note No. 36
TAX EXPENSE

(₹ in lakhs)

Current tax	**8,865.80**	7,089.59
Deferred tax	**424.13**	1,538.00
Prior period	**(743.22)**	(1,279.00)
Total	**8,546.71**	7,348.59

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 34.944% (34.608%) and the reported tax expense in profit or loss are as follows.

(₹ in lakhs)

	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Accounting profit before income tax	**24,657.21**	23,829.97
At country's statutory income tax rate of 34.944% (31 March 2018 : 34.608%)	**34.944%**	34.608%
Tax Expense	**8,616**	8,247
Current Income tax of Foreign Subsidiary	**6**	11
Impact of P&L of subsidiaries	**–**	78
Adjustments in respect of current income tax		
Exempt Dividend Income	**(1)**	(1)
Foreign Dividend Income, taxed at a different rate	**–**	–
Non-deductible expenses for tax purposes		
Provisions (net)	**556**	(481)
CSR Expenses	**180**	152
Gratuity Liability of previous year paid in current year	**–**	(653)
VRS Expenses	**(183)**	(189)
Depreciation Difference	**6**	(52)
Impairment of asset	**7**	132
Additional Deduction for R&D expenses in Income Tax	**(322)**	(154)
Adjustments in respect of Previous years income tax	**(743)**	(1,279)
Total	**8,123**	5,811

Note No. 37

OTHER COMPREHENSIVE INCOME

(₹ in lakhs)

(A) Items that will not be reclassified to profit or loss		
(i) Re-measurement gains/(losses) on defined benefit plans	**(925.66)**	238.88
Income tax effect	**323.46**	(82.67)
(ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income	**–**	–
Income tax effect	**–**	–
	(602.20)	156.21
(B) Items that will be reclassified to profit or loss	**–**	–
Total	**(602.20)**	156.21

Note No. 38

EARNINGS PER EQUITY SHARE

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Face value of the shares is ₹10.

(₹ in lakhs)

Net profit attributable to equity shareholders	**31 March 2019**	31 March 2018
Profit after tax	**16,110.50**	16,481.38
Profit attributable to equity holders of the parent adjusted for the effect of dilution	**16,110.50**	16,481.38
Nominal value of equity share (₹)		
Weighted-average number of equity shares for basic EPS	**114,002,564**	114,002,564
Basic/Diluted earnings per share (₹)	**14.13**	14.46

Note No. 39

ACCOUNTING FOR EMPLOYEE BENEFITS

Defined Contribution Plans

The disclosures are made consequent to adoption of Ind AS 19 on Employee Benefits, notified by the Ministry of Corporate Affairs, by the group. Defined Benefit(s) Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain / loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1,142.24 lakhs (₹ 1,141.58 lakhs); Superannuation fund ₹ 629.07 lakhs (₹ 602.96 lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 16.39 lakhs (₹ 22.26 lakhs).

Defined Benefit Plans

Post Employment Benefit Plans

A. Gratuity

The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the group by way of transfer of requisite amount to the fund.

The reconciliation of the group's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

(₹ in lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Defined benefit obligation	**5,931.59**	5,531.35
Fair value of plan assets	**5,248.30**	5,508.91
Net defined benefit obligation	**683.28**	22.44

(i) The movement of the group's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

(₹ in lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening value of defined benefit obligation	**5,531.35**	5,835.57
Add: Current service cost	**350.24**	326.51
Add: Current interest cost	**386.22**	437.68
Plan amendment : Vested portion at end of period (past service)	**–**	–
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	**–**	–
- changes in experience adjustment	**443.68**	(147.36)
- changes in financial assumptions	**119.13**	(219.42)
Less: Benefits paid	**(899.02)**	(701.64)
Closing value of defined benefit obligation therof -	**5,931.59**	5,531.35
Unfunded	**683.28**	22.44
Funded	**5,248.30**	5,508.91

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions for the parent company:

Particulars	As at 31-Mar-19	As at 31-Mar-18
Discount rate (per annum)	7.60%	7.98%
Rate of increase in compensation levels/Salary growth rate	6.00%	6.00%
Expected average remaining working lives of employees (years)	11	12

(iii) The reconciliation of the plan assets held for the group's defined benefit plan from beginning to end of reporting period is presented below:

(₹ in lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening balance of fair value of plan assets	5,508.91	4,023.43
Add: Contribution by employer	460.64	1,887.22
Return on Plan Assets excluding Interest Income	(240.90)	(21.17)
Add: Interest income	418.68	321.07
Less: Benefits paid	(899.02)	(701.64)
Closing Balance of Fair Value of Plan Assets	5,248.30	5,508.91

(iv) Expense related to the group's defined benefit plans in respect of gratuity plan is as follows:

(₹ in lakhs)

Amount recognised in Other comprehensive Income	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Actuarial (gain)/loss on obligations-change in demographic assumptions	–	–
Actuarial (gain)/loss on obligations-change in financial assumptions	119.13	(219.42)
Actuarial (gain)/loss on obligations-experience adjustment	443.68	(147.36)
Return on Plan Assets excluding Interest Income	(240.90)	(21.17)
Total expense/(income) recognized in the statement of Other Comprehensive Income	803.70	(345.61)

(₹ in lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	350.24	326.51
Past service cost (vested)	–	–
Net Interest cost (Interest Cost-Expected return)	(32.46)	116.61
Total expense recognized in the Statement of Profit & Loss	317.78	443.13

(₹ in lakhs)

Amount recognised in Balance Sheet	As at 31-Mar-19	As at 31-Mar-18
Defined benefit obligation	5,931.59	5,531.35
Classified as:		
Non-Current	4,890.65	4,771.63
Current	1,040.94	759.72

(₹ in lakhs)

	As at 31-Mar-19	As at 31-Mar-18
Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns.		
The return on plan assets was	177.78	299.90

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets can be broken down into the following major categories of investments:

Particulars	**As at 31-Mar-19**	As at 31-Mar-18
Government of India securities/ State Government securities	**46.61%**	46.30%
Corporate bonds	**47.24%**	47.59%
Others	**6.15%**	6.11%
Total Plan Assets	**100.00%**	100.00%

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in the statement of comprehensive income.

(vi) Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of gratuity plans is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

(₹ in lakhs)

Particulars	**31-Mar-2019**	
	Increase	**Decrease**
Changes in Discount rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,776**	**6,096**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**(156)**	**164**
Changes in Salary growth rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**6,034**	**5,832**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**102**	**(100)**
Changes in Attrition rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,936**	**5,928**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**4**	**(4)**
Changes in Mortality rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,962**	**5,901**
Original defined benefit obligation	**5,932**	**5,932**
Increase/(decrease) in defined benefit obligation	**30**	**(31)**

(₹ in lakhs)

Particulars	31-Mar-18	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	5,382	5,689
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	(149)	157
Changes in Salary growth rate in %	0.50	0.50
Defined benefit obligation after change	5,625	5,441
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	93	(90)

(₹ in lakhs)

Particulars	31-Mar-18	
	Increase	Decrease
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	5,535	5,528
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	4	(4)
Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	5,561	5,501
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	30	(30)

B. *Post Retirement Medical Benefits Scheme (Non-funded)*

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependant spouse, parents and children as per applicable rules.

(₹ in lakhs)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Opening value of defined benefit obligation	**376.60**	348.71
Add: Current service cost		
Add: Current interest cost	**24.19**	23.73
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	**–**	–
- changes in experience adjustment	**109.91**	127.47
- changes in financial assumptions	**12.05**	(20.74)
Less: Benefits paid	**(116.62)**	(102.57)
Closing value of defined benefit obligation	**406.13**	376.60
Thereof-		
Unfunded	**406.13**	376.60
Funded	**–**	–

(₹ in lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Actuarial (gain)/loss on obligations-change in demographic assumptions	**–**	–
Actuarial (gain)/loss on obligations-change in financial assumptions	**12.05**	(20.74)
Actuarial (gain)/loss on obligations-experience adjustment	**109.91**	127.47
Total expense/(income) recognized in the statement of Other Comprehensive Income	**121.96**	106.73

(₹ in lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current service cost	**–**	–
Net Interest cost (Interest Cost-Expected return)	**24**	24
Total expense recognized in the Statement of Profit & Loss	**24**	24

Assumptions	As at 31-Mar-19	As at 31-Mar-18
Discount rate (per annum)	7.60%	7.98%
Superannuation age	60	60
Early retirement & disablement	1.00%	1.00%

(₹ in lakhs)

Amount recognised in Balance Sheet	As at 31-Mar-19	As at 31-Mar-18
Defined benefit obligation	406.13	376.60
Classified as:		
Non-Current	341.36	316.78
Current	64.77	59.82

Sensitivity Analysis

(₹ in lakhs)

Particulars	31-Mar-19	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	394	418
Original defined benefit obligation	406	406
Increase/(decrease) in defined benefit obligation	(12)	12
Changes in Mortality rate in %	0.50	0.50
Defined benefit obligation after change	397	413
Original defined benefit obligation	406	406
Increase/(decrease) in defined benefit obligation	(9)	7

(₹ in lakhs)

Particulars	31-Mar-18	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	365	387
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(11)	11
Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	368	383
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(8)	6

C. Other long term benefit plans

Leave Encashment (Non-funded), Long Service Award (Non-funded) and Half Pay Leave (Non-funded)

The group provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each Balance Sheet date on the basis of an independent acturial valuation. An amount of ₹ 832.10 lakhs [₹ 603.51 lakhs] has been recognised in the Statement of Profit and Loss.

(₹ in lakhs)

Leave Encashment (Non-funded)	As at 31-Mar-19	As at 31-Mar-18
Amount recognized in Balance Sheet		
Current	201.36	190.78
Non Current	701.36	760.36

Long Service Award is given to the employees to recognise long and meritorious service rendered to the Group. The minimum eligibility for the same starts on completion of 10 years of service and there after every 5 years of completed service. An amount of ₹ (-) 20.19 lakhs [₹ (-) 37.60 lakhs] has been recognised in the statement of Profit and Loss.

(₹ in lakhs)

Long Service Award (Non-funded)	As at 31-Mar-19	As at 31-Mar-18
Amount recognized in Balance Sheet		
Current	60.73	41.26
Non Current	346.57	351.83

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of ₹ 358.90 lakhs (₹ 50.96 lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in lakhs)

Half Pay Leave (Non-funded)	As at 31-Mar-19	As at 31-Mar-18
Amount recognized in Balance Sheet		
Current	105.33	49.52
Non Current	712.52	513.88

Note No. 40

ADDITIONAL DISCLOSURES

40.1 Disclosure of Interests in Subsidiary and Joint Venture Companies

Name of Subsidiary / Joint Venture Company	Nature of Relationship	Proportion of Shareholding	Country of Incorporation
Balmer Lawrie (UK) Ltd.	Subsidiary	100%	United Kingdom
Visakhapatnam Port Logistics Park Ltd	Subsidiary	60%	India
Balmer Lawrie (UAE) Llc.	Joint Venture	49%	United Arab Emirates
Balmer Lawrie - Van Leer Ltd.	Joint Venture	48%	India
Transafe Services Ltd.	Joint Venture	50%	India
Avi - Oil India Private Ltd.	Associate	25%	India
P T Balmer Lawrie Indonesia	Joint Venture	50%	Indonesia

Note: The accounting year of all the aforesaid companies is the financial year except for Balmer Lawrie (UAE) LLC which follows calendar year as the accounting year.

40.2 70,452,900 (70,452,900) Equity Shares are held by Balmer Lawrie Investments Ltd. (Holding Company).

40.3 (a) Fixed Deposit with bank amounting to ₹ 0.90 Lakhs (₹ 0.85 Lakhs) are lodged with certain authorities as security.

(b) Conveyance deeds of certain land costing ₹ 2,484.37 Lakhs (₹ 2,541.35 Lakhs) and buildings, with written down value of ₹ 3,211.46 Lakhs (₹ 3,040.20 Lakhs) are pending registration / mutation.

(c) Certain buildings & sidings with written down value of ₹ 6,603.58 Lakhs (₹ 6,662.84 Lakhs) are situated on leasehold/rented land.

40.4 Contingent Liabilities as at 31st March, 2019 not provided for in the accounts are:

(a) Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax and Sales Tax amounting to ₹ 14,345.86 Lakhs (₹ 14,495.05 Lakhs) against which the Company has lodged appeal/petition before appropriate authorities.

(b) Claims against the company not acknowledged as debts amount to ₹ 1,076.63 Lakhs (₹ 1,037.91 Lakhs) in respect of which the Company has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes financial effect is ascertainable on settlement; no settlement was reached during the year.

40.5 (a) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to ₹ 8,794.18 Lakhs (₹ 9,312.85 Lakhs).

(b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹ 1,562.87 Lakhs (₹ 3,589.20 Lakhs).

40.6 **Segment Reporting**

Information about business segment for the year ended 31st March, 2019 in respect of reportable segments as notified by the Ministry of Corporate Affairs in the IND AS – 108 in respect of "Operating Segments" is attached as Annexure - A.

40.7 Continuous losses incurred by a joint venture, Transafe Services Ltd. (TSL) over the last few years have resulted in negative net worth of ₹ 11,871.45 lakhs as on 31st March 2019. Based on negative net worth of ₹ 732.54 lakhs as on 31st March 2013 a reference application was made to BIFR under Sec. 15 of the Sick Industrial Companies Act 1985 on 22nd July 2013 which was registered by BIFR under case no. 83/2013 and confirmed by their letter dated 25th November 2013. The same was pending with BIFR. The Ministry of Finance vide its notification nos S.O.3568 (E) and 3699 (E) has repealed SICA, 1985 and dissolved the BIFR. Consequently all pending references/appeals before BIFR stands abated.

The management of TSL in order to revive the Company has been working on various restructuring proposals including bringing in a strategic partner.

With such restructuring and participation of the strategic partner, TSL is expected to revive through reduction of finance charges and easing out funds through working capital for its day to day business operation. All the business segments of TSL are separate cash generating unit and based on their future projections, they are expected to continue to remain so.

In context of the above, a business enterprise valuation was carried out by a reputed valuer, where the future discounted cash flows exceeded the carrying value of the assets of the Company. Hence, no provision is required to be made for impairment of loss as per Indian Accounting Standard (Ind AS-36).

40.8 M/s Transafe Services Limited, a Joint Venture Company, where Company holds 50% of the equity shares of the company has defaulted in repayment of dues to Banks amounting to ₹ 10,609.64 Lakhs which were due as on the Balance Sheet date.

40.9 During the year the company has started the process of closing down the wholly owned subsidiary at United Kingdom, Balmer Lawrie (UK) and as a part of such initiative BL(UK) brought back its shares at a rate arrived at as per permitted legal regulations of United Kingdom. This has resulted in a profit on disposal of shares of ₹ 634.49 Lakhs during the year. The company now holds only 100 shares in the foreign subsidiary.

40.10 As a part of the restructuring initiative for Balmer Lawrie (UK) Ltd, 50% share in PT Balmer Lawrie Indonesia (PTBLI) hitherto held by BLUK were transferred to Balmer Lawrie during the year. PTBLI has earned a profit of ₹ 64.37 lakhs during the current financial year and ₹ 490.03 lakhs during the previous financial year.

40.11 Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.

40.12 (a) The financial statements have been prepared as per the requirement of Division II to the Schedule III to the Companies Act, 2013.

(b) Previous year's figures have been re-grouped or re-arranged or re-classified wherever so required to make them comparable with current year figures.

(c) Figures in brackets relate to previous year.

(d) All amounts in ₹ Lakhs unless otherwise stated.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Mainak Chakrabarti
Partner
Membership No. 063052

Kolkata, 28th May, 2019

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

D Sothi Selvam
K Swaminathan
A. Ratna Sekhar
Vijay Sharma
Perin Devi Rao
Atreyee Borooah Thekedath
Sunil Sachdeva
Vikash Preetam
Arun Tandon
Directors

Kavita Bhavsar
Secretary

Note No. 41

SEGMENT REVENUE

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	**63,676**	**1,083**	**62,593**	59,492	1,528	57,964
Logistics Infrastructure	**18,761**	**33**	**18,728**	19,244	187	19,057
Logistic Services	**33,246**	**62**	**33,184**	33,136	59	33,077
Travel & Vacations	**15,977**	**314**	**15,663**	15,893	162	15,731
Greases & Lubricants	**37,600**	**95**	**37,505**	40,264	140	40,124
Others	**9,854**	**6**	**9,848**	9,782	81	9,701
Total Segment Revenue	**179,113**	**1,593**	**177,520**	**177,812**	**2,158**	**175,654**

Segment Profit/(Loss) before Interest & Income Tax

(₹ in lakhs)

Particulars	31 March 2019			31 March 2018		
Industrial Packaging	**5,416**		**5,416**	5,842		5,842
Logistics Infrastructure	**4,373**		**4,373**	4,474		4,474
Logistic Services	**7,971**		**7,971**	8,483		8,483
Travel & Vacations	**6,025**		**6,025**	5,294		5,294
Greases & Lubricants	**3,854**		**3,854**	3,096		3,096
Others	**(2,981)**		**(2,981)**	(3,360)		(3,360)
Total Segment Profit	**24,657**	**–**	**24,657**	**23,830**	**–**	**23,830**

Segment Assets

(₹ in lakhs)

Particulars	31 March 2019				31 March 2018			
	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets
Industrial Packaging	**54,865**	**–**	**–**	**54,865**	31,765	–	–	31,765
Logistics Infrastructure	**22,111**	**–**	**–**	**22,111**	21,653	–	–	21,653
Logistic Services	**12,202**	**–**	**–**	**12,202**	7,756	–	–	7,756
Travel & Vacations	**34,239**	**–**	**–**	**34,239**	32,538	–	–	32,538
Greases & Lubricants	**20,610**	**–**	**–**	**20,610**	19,349	–	–	19,349
Others	**10,136**	**–**	**–**	**10,136**	6,331	–	–	6,331
Total Segment Assets	**154,163**	**–**	**–**	**154,163**	**119,393**	**–**	**–**	**119,393**
Unallocated								
Deferred tax assets	**–**	**–**	**–**	**–**	–	–	–	–
Investments	**13,841**	**166**	**–**	**14,007**	8,738	5,103	–	13,841
Derivative financial instruments	**–**	**–**	**–**	**–**	–	–	–	–
Other Assets	**59,883**	**–**	**–**	**59,883**	85,858	–	–	85,858

Total Assets as per the Balance Sheet	**227,887**	**166**	**–**	**228,053**	**213,989**	**5,103**	**–**	**219,092**

Impairment of Assets

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Industrial Packaging	**19.36**	381.58
Logistics Infrastructure	**–**	–
Logistic Services	**–**	–
Travel & Vacations	**–**	689.31
Greases & Lubricants	**–**	–
Others	**–**	–
Total Impairment of Assets	**19.36**	**1,070.89**

Segment Liabilities

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Industrial Packaging	**16,535**	9,079
Logistics Infrastructure	**7,624**	5,148
Logistic Services	**10,889**	10,961
Travel & Vacations	**11,784**	17,062
Greases & Lubricants	**7,130**	6,468
Others	**8,456**	2,363
Total Segment Liabilities	**62,418**	51,081
Intersegment eliminations	**–**	–
Unallocated		
Deferred tax liabilities	**919**	6,315
Current tax liabilities	**3,215**	2,778
Current borrowings	**306**	–
Non current borrowings	**1,061**	–
Derivative financial instruments	**–**	–
Other Liabilities	**3,122**	7,942
Total Liabilities as per the Balance Sheet	**71,041**	**68,116**

Note No. 42

FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in lakhs)

Particulars	31 March 2019		31 March 2018	
	FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial Assets				
Equity instruments**	150	–	150	–
Trade receivables	–	27,629	–	26,978
Other receivables	–	21,640	–	24,120
Loans	–	895	–	691
Accrued income	–	2,227	–	2,241
Security deposit	–	908	–	841
Cash and equivalents	–	5,337	–	7,592
Other bank balances		39,071	–	43,008
Total	**150**	**97,707**	**150**	**105,471**
Financial Liabilities				
Trade payable	–	29,299	–	31,838
Security deposit	–	3,535	–	3,243
Other financial liabilities	–	9,098	–	12,174
Derivative financial liabilities	–	–	–	–
Total	**–**	**41,932**	**–**	**47,255**

*All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values.

**1 Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost with subsequent increases in value due to consolidation under Ind AS 110 using equity method for joint ventures and associates.

**2 This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

ii) Risk Management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, whereever feasible. Periodic review/ monitoring of trade receivables
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts

The group's risk management other than in respect of trade receivables is carried out by a corporate department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Group's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables . The parent company receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous montitoring of credit worthiness of customers, ability to repay and their past track record.

Similarly all group companies closely monitor their trade receivables which includes tracking the credit worthiness of the customers, ability to pay, default rates, past history etc. Accordingly expected cedit loss has also been computed and accounted for by them.

Provisions

For Receivables

There are no universal expected loss percentages for the group as a whole. The parent company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

For other Financial assets

Loans - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Accrued income - includes Dividend income from both Indian and foreign JV's/associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash Equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit rating.

B) Liquidity risk

Liquidity risk arises from borrowings and other liablities. The parent company has taken a loan of ₹ 15 Crores from Standard Chartered Bank to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI) and expects to repay the same as per schedule. The first tranche of ₹ 1.25 Crores was paid as and when due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities. Individual management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entities operate. In addition, the group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The group does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they fall due. One group company has liquidity problems which is in the process of being handled by means of restructuring of loans with one time settlement with bankers.

C) Market Risk

Market risk arises due to change in foreign exchange rates or interest rates.

1) Interest rate risk

The group is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The parent company including one of the JV's has invested in preference share capital of another joint venture company, Transafe Services Limited which has been entirely provided for in the books of the parent company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The parent company has not invested in any other instruments except equity investments. The other company has borrowings on which interest is payable which is susceptible to change in rates.

2) Foreign currency risk

The parent company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Company does not use forward contracts for speculative purposes. The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of Dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED .

Some group companies like Avi-Oil significantly import raw materials and is exposed to foreign exchange risk primarily with USD & Euro which is not hedged. Similarly BLVL has business transactions involving several currencies exposing it to foreign currency risk arising from foreign currency receivables and payables which it manages by entering into forward contracts.

Note No. 43

CAPITAL MANAGEMENT

The Group' s capital management objectives are

- to ensure the Company's ability to continue as a going concern

- to provide an adequate return to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The parent company has an insignificant amount of ₹ 13.75 Crores of debt outstanding on the current Balance sheet date and a subsidiary Vizag Port Trust Logistics Pvt Ltd has a debt of ₹ 55.82 crores outstanding as on balance sheet date. However, one joint venture, Transafe Services Limited is highly leveraged and is having problems in repayment of term loans including interest dues on the same. Efforts are at an advanced stage to address this issue by way of one time settlement and restructuring.

The parent company, being a CPSE is governed by the guidelines on capital issued from time to time by the Government of India.

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Total Equity	**157,012**	150,975
Total Assets	**228,053**	219,092
Equity Ratio	**69%**	**69%**

Dividends (₹ in lakhs)

Particulars	31 March 2019	31 March 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2018 of ₹ 10 (31 March 2016 - ₹ 7) per fully paid share (Net of Dividend distribution tax)	**11,400.26**	7,980.18
(ii) Dividends not recognised at the end of the reporting period In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 11 (31 March 2018 ₹ 10) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	**12,540.29**	11,400.26

Note No. 43A

INTEREST IN OTHER ENTITIES

a) Subsidiaries

The group's subsidiaries at 31 March 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership held by non-controlling interests	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Balmer Lawrie UK Ltd.	United Kingdom	**100%**	100%	**NIL**	NIL
Vishakhapatnam Port Logistics Park Ltd.	India	**60%**	60%	**40%**	40%

(b) Interest in associates and joint ventures

Name of Entity	Place of business/ country of incorporation	% of Ownership Interest	Relationship	Accounting method
Balmer Lawrie (UAE) LLC	United Arab Emirates	49.00%	Joint Venture	Equity Method
Balmer Lawrie Van Leer Ltd.	India	47.91%	Joint Venture	Equity Method
Transafe Services Ltd.	India	50.00%	Joint Venture	Equity Method
Avi Oil India (P) Ltd.	India	25.00%	Associate	Equity Method
PT Balmer Lawrie Indonesia	Indonesia	50.00%	Joint Venture	Equity Method
Total equity accounted investments				

Avi Oil India (P) Ltd. is classified as an associate on the basis of the shareholding pattern which leads to significant influence over the Company by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd., PT Balmer Lawrie Indonesia and Transafe Services Ltd. both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures and the Company recognises its share in net assets through equity method.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ in lakhs)

Summarised Balance Sheet	31 March 2019	31 March 2018
Capital Commitments	**569.96**	608.87
Contingent Liabilities		
Claims not acknowledged as debts	**70.44**	144.74
Counter Guarantees	**2,180.54**	1,946.97
Disputed demands	**4,101.49**	3,576.38
Total commitments and contingent liabilities	**6,922.43**	**6,276.96**

(c) Summarised financial information for associates and joint ventures

(c) (i) - Associates

(₹ in lakhs)

Summarised Balance Sheet	Avi Oil India Pvt. Ltd.	
	31 March 2019	31 March 2018
Current assets	5,363.84	4,585.91
Current liabilities	479.74	321.11
Net current assets	**4,884.10**	**4,264.80**
Non-current assets	2,055.93	2,074.96
Non-current liabilities	571.74	471.08
Net non-current assets	**1,484.19**	**1,603.88**
Net assets	**6,368.29**	**5,868.68**

(c) (i) - **Joint Ventures**

(₹ in lakhs)

Summarised Balance Sheet	Balmer Lawrie Van Leer Ltd.		Transafe Services Ltd.	
	31 March 2019	31 March 2018	**31 March 2019**	31 March 2018
Cash & Cash Equivalents	425.00	349.86	63.49	25.08
Current assets excluding Cash & Cash Equivalents	17,036.00	16,674.82	3,030.28	3,035.09
Current Financial Liabilities (excluding Trade payables)	12,595.00	11,508.03	17,247.89	13,126.88
Other Current Liabilities	4,445.00	5,905.81	2,080.34	2,205.06
Net current assets	**421.00**	**(389.15)**	**(16,234.46)**	**(12,271.78)**
Non-current assets	17,860.00	16,149.71	9,415.68	9,933.21
Non-current Financial liabilities (excluding Trade payables)	2,337.00	231.52	4,988.28	7,077.62
Other Non-Current Liabilities	1,097.00	1,299.18	64.38	67.98
Net non-current assets	**14,426.00**	**14,619.00**	**4,363.02**	**2,787.61**
Net assets	**14,847.00**	**14,229.85**	**(11,871.45)**	**(9,484.17)**

(₹ in lakhs)

Summarised Balance Sheet	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2019	31 March 2018	**31 December 2018**	31 December 2017
Cash & Cash Equivalents	50.92	212.45	2,389.52	6,752.74
Current assets excluding Cash & Cash Equivalents	2,034.20	2,174.85	51,191.20	37,542.22
Current Financial Liabilities (excluding Trade payables)	791.18	933.70	10,518.85	6,912.00
Other Current Liabilities	1,016.62	1,206.31	–	–
Net current assets	**277.33**	**247.29**	**43,061.86**	**37,382.97**
Non-current assets	1,263.90	1,261.98	7,768.13	7,841.10
Non-current Financial liabilities (excluding Trade payables)	1,847.06	1,878.70	2,561.11	2,446.05
Other Non-Current Liabilities	–	–	–	–
Net non-current assets	**(583.16)**	**(616.72)**	**5,207.03**	**5,395.04**
Net assets	**(305.83)**	**(369.43)**	**48,268.89**	**42,778.02**

(c) (ii) - Associates

(₹ in lakhs)

Summarised statement of profit and loss	Avi Oil India Pvt. Ltd.	
	31 March 2019	**31 March 2018**
Revenue	6,318.57	6,785.16
Interest income including other income	126.23	30.83
Cost of Sales	2,871.48	3,217.82
Employee benefit expenses	1,021.29	829.98
Depreciation and amortisation	215.39	190.71
Interest expense	32.73	22.66
Other expenses	1,103.83	986.91
Income tax expense	350.17	482.96
Profit for the year	**849.91**	**1,084.95**
Other comprehensive income (net of tax)	(23.81)	2.26
Total comprehensive income	**826.10**	**1,087.21**
Dividend received	67.50	67.50

(c) (ii) - Joint Ventures

(₹ in lakhs)

Summarised statement of profit and loss	Balmer Lawrie Van Leer Ltd.		Transafe Services Ltd.	
	31 March 2019	**31 March 2018**	**31 March 2019**	**31 March 2018**
Revenue	49,884.00	43,723.00	2,494.52	3,311.15
Other Income	110.00	112.00	56.69	117.79
Interest income	33.00	20.00	7.47	0.65
Cost of sales	31,396.00	26,647.00	1,144.93	1,574.37
Employee benefit expenses	4,544.00	4,353.00	507.85	536.12
Depreciation and amortisation	1,244.00	1,059.00	848.80	897.64
Interest expense	940.00	888.00	1,805.84	1,717.47
Other expenses	8,164.00	7,644.00	1,006.95	1,195.79
Income tax expense	1,297.00	1,111.00	(369.34)	(375.75)
Profit for the year	2,442.00	2,153.00	(2,386.37)	(2,116.06)
Other comprehensive income	(93.00)	44.00	(0.90)	3.87
Total comprehensive income	**2,349.00**	**2,197.00**	**(2,387.28)**	**(2,112.20)**
Dividend received	688.00	301.00	–	–

(₹ in lakhs)

Summarised statement of profit and loss	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2019	31 March 2018	**31 Dec 2018**	31 Dec 2017
Revenue	3,969.00	6,376.78	71,392.94	64,968.46
Profit for the year	**64.37**	**490.03**	**6,524.05**	6,871.71
Other comprehensive income	8.46	(1.44)	–	–
Total Comprehensive Income	**72.82**	**488.59**	**6,524.05**	**6,871.71**
Dividend received	–	–	1,651.46	1,687.48

PT Balmer Lawrie Indonesia and Transafe Services Ltd's a JV whose networth have turned negative on all the applicable balance sheet dates, have not been consolidated further as per Ind AS requirements.

Additional Information to Consolidated Financial Statements for the year ending 31.03.2019

₹ in Lakhs

Name of the Entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consoli-dated net Assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consoli-dated Other compre-hensive Income	Amount	As a % of total compre-hensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent	82.81%	130,020.42	105.87%	17,056.79	100.00%	-602.20	100.00%	15,508.30
Subsidiaries								
Indian								
Visakhapatnam Port Logistics Park Limited	-0.20%	(321.63)	-2.07%	(333.96)				
Foreign								
Balmer Lawrie UK Ltd	1.15%	1,806.69	-2.42%	(389.69)				
Non Controlling Interest in All subsidiaries	3.22%	5,058.58	-1.38%	(222.64)				
Associates (Investment as per Equity Method)								
Indian								
Avi-Oil India Private Limited	0.46%	721.45			–		–	
Joint Ventures (Investment as per Equity Method)								
Indian								
1. Balmer Lawrie Van Leer Limited	1.38%	2,169.38			–		–	
2. Transafe Services Ltd.	–	–						
Foreign								
1. Balmer Lawrie (UAE) LLC	11.84%	18,584.10						
2. PT Balmer Lawrie Indonesia (PTBLI)	-0.65%	(1,027.32)						
Net worth of PTBLI & Transafe Services Ltd are negative. Hence no consolidation has been done								
Total	100.00%	157,011.67	100.00%	16,110.50	100.00%	(602.20)	100.00%	15,508.30

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Eastern Region		
Bihar (Jogbani)	Integrated Check Post (ICP)	Jogbani (Bihar), Dist.: Araria, Bihar - 854328 Phone: 9990999140 / 06455-242004/05 Fax: NIL E-Mail: akshay.k@balmerlawrie.com
Bihar (Raxaul)	Integrated Check Post (ICP)	Vill - Haraiya, P.O. - Singhpur (Raxaul), Dist - East Champaran, Bihar - 845305 Phone: 9748343969 / 06255-226111 Fax: NIL E-Mail: piyush.s@balmerlawrie.com
Kolkata	Container Freight Station (CFS)	P-3/1,Transport Depot Road, Kolkata - 700 088 Phone: 9748067844 / 033 - 24498355 Fax: NIL E-Mail: basu.prasant@balmerlawrie.com
Kolkata	Warehousing & Distribution (W & D)	P-43, Hide Road Extn, Kolkata - 700 088 Phone: 94330 68640 / 033-2450 0138 Fax: NIL E-Mail: sau.pk@balmerlawrie.com
Kolkata	Warehousing & Distribution (W & D)	1, Sonapur Road, Kolkata - 700 088 Phone: 9007078528 / 033-24506824 Fax: NIL E-Mail: jena.sk@balmerlawrie.com
Visakhapatnam	Multimodal Logistics hub (MMLH)	30-15-154/4 F2, 5th Floor, GKPHeavenue, Dabagardens Main Road, Visakapatnam - 530020 Phone: 9768143660 Fax: NIL E-Mail: raghavan.r@balmerlawrie.com
Western Region		
Navi Mumbai	Container Freight Station (CFS)	Sector : 7, Plot No: 1, P. B. No : 8, Dronagiri Node, Navi Mumbai - 400 707 Phone: 8828226199 / 022- 27241979 Fax: NIL E-Mail: barve.mp@balmerlawrie.com

Navi Mumbai	Temperature Control Warehouse (TCW)	Plot No : F-9/5, Additional Patalganga MIDC, Chawne Village, District - Raigad Phone: 98664 00155 Fax: NIL E-Mail: choudhary.rr@balamerlawrie.com
Northern Region		
Haryana	Temperature Controlled Warehouse (TCW)	Plot No. 1924 & 1924-A, HSIIDC, RAI, Phase - II, Sector - 38, Sonepat, Haryana - 131 029 Phone: +91 8377922852 Fax: NIL E-Mail: gautam.pp@balmerlawrie.com
Southern Region		
Chennai	Container Freight Station (CFS)	32, Sathangadu Village, Manali, Chennai - 600 068 Phone: 9600155545/044-25941647/044-25941813 Fax: NIL E-Mail: raghupathi.r@balmerlawrie.com
Coimbatore	Warehousing & Distribution (W&D)	5/245, Thadaham Main Road, Kanuvai, Coimbatore - 641 108, Phone: 9444423671 / 0422- 2400342 Fax: NIL E-Mail: coimbatore.wd@balmerlawrie.com
Telengana	Temperature Controlled Warehouse (TCW)	Survey No : 833, Kistapur Road, Medchal - Village and Mandal, Medchal Dist - 501 401,Telangana Phone: +91 96765 05656 Fax: NIL E-Mail: addagiri.n@balmerlawrie.com
LOGISTICS SERVICES		
Eastern Region		
Kolkata	Branch & SBU Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22134658, 22225456 Fax: +91 033 22225282 E-Mail: guha.ss@balmerlawrie.com/dugar.sushil@balmerlawrie.com
Kolkata	Airport Office	No. 2 Airport gate, Motilal Colony, Sabutola, P.O. Rajbari , Kolkata - 700 081 Phone:+91 33 25123008 Fax: NIL E-mail:kulsi.anupam@balmerlawrie.com
Western Region		
Ahmedabad	Branch Office	204, 3rd Eye, Panchvati Circle, CG Road, Ahmedabad - 380 009 Phone: +91 079 26464745 / 4746 Fax: +91 079 26464774 E-Mail: verma.s@balmerlawrie.com

Goa	Branch Office	Shop No. 5, Ground Floor, Dr. Ozler Forum, Next to Roy Petrol Pump, Vasco Da Gama, Goa - 403 802 Phone: +91 832 2500282 / 280 / 284 Fax: NIL E-Mail: ls.goa@balmerlawrie.com
Mumbai	Regional Head Office	101, 102, 103 ASCOT Centre, Next to Hilton Hotel, D P Road, Andheri(E), Mumbai - 400 099 Phone: +91 22 68490800/ 22 68490802 Fax: NIL E-Mail: pote.k@balmerlawrie.com
Mumbai	Nava Shewa-Port Office	Sector 7, Plot Nbr 1, Post Box nbr : 8, Dronagiri NODE, Navi Mumbai -400707 Phone : +91 22 2740151, 22 27240038 Fax: NIL E-mail: sumeshbabu.kt@balmerlawrie.com
Pune	Branch Office	10, Aditya Shagun Mall, Bavadhan Khurd, NDA-Pashan Road, Pune - 411 021 Phone: +91 020 64731573 / 66750757 Fax: +91 020 64731573 / 66750757 E-Mail: padwale.vm@balmerlawrie.com
Northern Region		
Kanpur	Branch Office	2A/1A, AL-Badar Compound Near Supreme Petrol pump, Jajmau, Kanpur-208010 Phone: +91 0512 2400629/ +91 9717617383 Fax: +91 512 2400630 E-Mail: mishra.sadanand@balmerlawrie.com
New Delhi	Regional Head Office	601 to 604, E Block, International Trade Tower, Nehru Place, New Delhi - 110019 Phone: +91 11 26467565, 26441390 Fax: +91 11 26467383 E-Mail: vashisth.s@balmerlawrie.com
New Delhi	Airport Office	Godown No. 14 & 18, ACCAI Complex, IGI Airport, New Delhi-110037 Phone: +91 11 25652487, 25654241, 25655231 Fax: +91 11 25653086 E-mail: darbari.s@balmerlawrie.com

Gwalior	Branch Office	FL 163, Deendayal Nagar, Gwalior,Madhya Pradesh -474020 Phone: + 91 9630437077 Fax: NIL E-mail: gwalior.ls@balmerlawrie.com
Southern Region		
Bengaluru	Regional Head Office	342, Konena Agrahara, Old Airport Exit Road, HAL Post, Bengaluru - 560 017 Phone: + 91 80 25222454/7221 /4128 Fax: +91 80 25227231 E-Mail: choudhury.arpan@balmerlawrie.com
Bengaluru	Airport Office	Room No 151, Bldg Code-C 25, Bangalore International Airport, Bengaluru Phone :+91 9831186308 Fax: NIL E-mail: choudhury.arpan@balmerlawrie.com
Chennai	Branch Office	628,Anna Salai,Teynampet, Chennai - 600 018 Phone: +91 044 24302450 Fax: +91 044 24348066 E-Mail: thiyagarajan.j@balmerlawrie.com
Coimbatore	Branch Office	5/245,Thadagam Main Road, Kanuvai, Coimbatore - 641 108 Phone: +91 0422 2405527 / 9042434567 Fax: NIL E-Mail: lcbe.ls@balmerlawrie.com
Hyderabad	Branch Office	301, Regency House, 680, Somajiguda,Hyderabad - 500 082 Phone: +91 040 23415272 Fax: +91 040 23400958 E-Mail: krishnan.s@balmerlawrie.com
Hyderabad	Airport Office	Room No 151, Satellite Bldg Shutter No -08, Near Air Cargo Complex Hyderabad Airport, Samshabad, Hyderabad Phone:+91 40 24008244 Fax:NIL E-mail:airexhyd@balmerlawrie.com ; hydcha.balmer@balmerlawrie.com
Karur	Branch Office	No. 42, 1st Floor, Periyar Nagar, 2nd Cross, Karur - 639 002 Phone: +91 04324 232025/+91 8220372558 Fax: NIL E-Mail: sales.karur@balmerlawrie.com

Kochi	Branch Office	40/8147 A, Ground Floor, Narakathara Road, Opp Shenoys Junction , Kochi - 682 035 Phone: + 91 484 2351025/2350124 Fax: +91 484 2351026 E-Mail: saritha.ks@balmerlawrie.com
Thiruvananthapuram	Branch Office	SivadaTower, 1st Floor, SNNRA 17, Pettah, Thiruvananthapuram - 695 024 Phone: +91 0471 2463713 / 2463477 / 2465483/2464476 Fax: +91 0471 2465483 E-Mail: murali.k@balmerlawrie.com
Tuticorin	Branch Office	4B/A-28, 1st Floor, Mangal Mall, Mani Nagar, Palayamkotal Road, Tuticorin - 628 003 Phone: +91 0461 2320803/+91 9892560076 Fax: NIL E-Mail: palvannan.pm@balmerlawrie.com
Visakhapatnam	Branch Office	30-15-154/4F2, 4th Floor, GKPHEAVENUE, Dabagardens Main Road, Visakhapatnam - 530 020 Phone: +91 0891 2564922 / 2564933 Fax: +91 0891 256 9305 E-Mail: vizag.ls@balmerlawrie.com
LEATHER CHEMICALS		
Ambur- Vaniyambadi	Technical Service Centre	4/172, Gudiyatham Road, Thuthipet, Ambur - 635 802, Vellore District, Tamil Nadu Phone: +91 04174 244468 Fax: +91 04174 244468 E-Mail: saravanakumar.v@balmerlawrie.com
Chennai	Plant & SBU Office	32, Sattangadu Village,Manali, Chennai - 600 068 Phone: +91 044 25946500 Fax: NIL E-Mail: uthayaraja.rm@balmerlawrie.com
Chennai	Product Development Center	32, Sattangadu Village, Manali, Chennai - 600 068 Phone: +91 044 25946604 Fax: NIL E-Mail: vijayabaskar.v@balmerlawrie.com
Chennai	Marketing Office	Balmer Lawrie House´, 628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 044 24302401 / 9444848749 Fax: NIL E-Mail: choudhury.t@balmerlawrie.com

Kanpur	Technical Service Centre	2A/1(A) Jajmau, Near Supreme Petroleum, Kanpur - 208 010, Phone: +91 09935061087 (M) Fax: NIL E-Mail: sinha.k@balmerlawrie.com
Kolkata	Technical Service Centre	Kolkata Leather Complex, Zone Number 1, Plot No. 63A, 24 Parganas (South), PIN Code: 743 502 Phone: +91 09831498126, 09836814336 Fax: NIL E-Mail: chaudhuri.j@balmerlawrie.com
Ranipet	Technical Service Centre	135 & 136, 1st Floor, SIDCO Industrial Estate, SIPCOT, Ranipet - 632 403, Vellore District,Tamil Nadu Phone: +91 04172 245019 Fax: +91 04172 245018 E-Mail: saravanan.ks@balmerlawrie.com
REFINERY & OIL FIELD SERVICES		
Kolkata	SBU Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22225610, 22134674 Fax: +91 033 22225444 / 5333 E-Mail: NIL

NOTES

NOTES

C&MD and Directors at the 153rd Foundation Day celebrations held in Kolkata on 3rd February 2019! Balmer Lawrie completed 152 years on 1st February.

Balmer Lawrie successfully held its 101st Annual General Meeting on 12th September 2018 at Kolkata.

Balmer Lawrie participated in the prestigious Defence exhibition, Defexpo 2018 organised by Defence Exhibition Organisation, MOD, GOI from 11th to 14th April 2018 at Chennai.

The newly modernised Applications Research Laboratory (ARL), the state-of-the-art R & D Centre of SBU: G&L at Kolkata was inaugurated on 20th July 2018.

Industrial Packaging, Asaoti and Greases & Lubricants, Silvassa were proud winners of the National Award for Manufacturing Competitiveness (NAMC) 2017-18 under the "Silver Category" given away on 28th September 2018 at Mumbai.

Balmer Lawrie participated in Petrotech 2019, organized at the India Exposition Mart, Delhi (NCR) from 10th to 12th February 2019, under the aegis of MOPNG, GOI.

Balmerol Lubricants was recognized as one of 'The Economic Times Best Brands 2019'. The award was given away during The Economic Times (ET) Best Brands Carnival held on 29th March 2019 in Mumbai.

Agreements were signed with RCHobbytech Solutions Pvt. Ltd. and Kanpur Flowercycling Pvt. Ltd., the two start-ups selected as part of the Balmer Lawrie Start-up Fund initiative on 29th May 2018.

Balmer Lawrie, in association with Kolkata Port Trust (KoPT) and Times of India, carried out the beautification of the Bagbazar Ghat, Moti Seal Ghat and Ram Krishnapur Ghat along the Hooghly river, as part of the Swachh Bharat initiative in February & March 2019.

Glimpses from AGM 2018

Book-Post

ANNUAL REPORT 2018-19

Balmer Lawrie Joint Ventures

- Balmer Lawrie (UAE) LLC
- Balmer Lawrie - Van Leer Ltd.
- PT Balmer Lawrie Indonesia
- AVI-Oil India (P) Ltd.
- Transafe Services Ltd.

बामर लॉरी एण्ड कं. लिमिटेड
(भारत सरकार का एक उद्यम)

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(A Government of India Enterprise)

A Miniratna I PSE
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