



bhansali ENGINEERING POLYMERS LIMITED

CIN : L27100MH1984PLC032637

Registered Office : 401, 4th Floor, Peninsula Heights, C. D. Barfiwala Road, Andheri (West), Mumbai - 400 058.

Tel. : (91-22) 2621 6060/61/62/63/64 • Fax : (91-22) 2621 6077 • E-mail : abstron@bhansaliabs.com • Website : www.bhansaliabs.com

BEPL/SEC/2020/227**2nd September, 2020**

To The BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Security Code: 500052	To The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Security Code: BEPL
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Sub: Notice of the 36th Annual General Meeting of the Company and Submission of Annual Report for the Financial Year 2019 – 20.

Ref: Submission of Information pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

This is further to our earlier letter bearing reference no. BEPL/SEC/2020/223 dated 28th August, 2020, informing that the 36th Annual General Meeting ('AGM') of the Company will be held on Saturday, 26th September, 2020 at 11:30 AM through Video Conferencing/Other Audio-Visual Means, in compliance with the General Circular no. 20/2020, 17/2020 and 14/2020, issued by the Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (hereinafter collectively referred to as the 'Circulars').

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached Annual Report for Financial Year 2019-20 along with the Notice of the 36th AGM setting out necessary business matters proposed to be passed at the AGM. The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depositories in accordance with the aforesaid circulars.

Further, please note that the 36th AGM Notice and Annual Report 2019-20 is also available on the Company's website www.bhansaliabs.com.

Kindly take the same on record.

Thanking you,

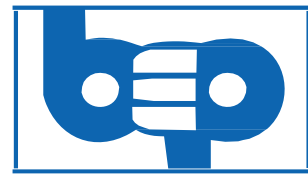
Yours faithfully,

For Bhansali Engineering Polymers Limited

Ashwin M. Patel
Company Secretary and GM (Legal)



Encl: as above



(An ISO 9001-2015 Company)

BHANSALI ENGINEERING POLYMERS LIMITED

2019 -
2020



36th
ANNUAL
REPORT

CSR AT BEPL



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“BEPL – A ZERO DEBT COMPANY, IS WELL EQUIPPED TO MEET FORMIDABLE CHALLENGE OF ACCELERATING GROWTH WITH SUSTAINABLE DEVELOPMENT ”



OUR *Vision* IS TO:

- ❖ Attain excellence by continuously developing and providing the best quality products and services.
- ❖ Exceed expectations of our customers with Innovative Products.
- ❖ Build value for all Stakeholders.
- ❖ Be a Value-driven Organization

OUR *Mission* IS TO:

- ❖ To be the lowest ABS Cost Producer in India with quality standard 'at par' with the Global Best.
- ❖ To intensify the HRD efforts and keep strengthening the Organization, to be ready to respond to ever-growing market challenges.

CORPORATE *Information*

BOARD OF DIRECTORS

Mr. M. C. Gupta	Chairman, Non-Executive Independent Director
Mr. B. M. Bhansali	Managing Director
Dr. B. S. Bhesania	Non-Executive Independent Director
Mr. Dilip Kumar	Non-Executive Independent Director
Ms. Jasmine F. Batliwalla	Non-Executive Independent Director
Mr. Jayesh B. Bhansali	Executive Director cum Chief Financial Officer
Mr. Jaivardhan	Additional Whole-Time Director

Company Secretary

Mr. Ashwin M. Patel

COMMITTEES OF THE BOARD

Audit Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholders Relationship Committee
Mr. M. C. Gupta	Dr. B. S. Bhesania	Mr. M. C. Gupta	Dr. B. S. Bhesania
Dr. B. S. Bhesania	Mr. M. C. Gupta	Mr. B. M. Bhansali	Mr. B. M. Bhansali
Mr. Dilip Kumar	Mr. Dilip Kumar	Mr. Jayesh B. Bhansali	Mr. Jayesh B. Bhansali
Mr. Jayesh B. Bhansali			

STATUTORY AUDITORS

M/s. Azad Jain & Co.
Chartered Accountants

COST AUDITORS

M/s. Joshi Apte & Associates
Cost Accountants

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
Regd. Office: C-101,
247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400083.

BANKERS

Allahabad Bank Limited
Axis Bank Limited
State Bank of India

SECRETARIAL AUDITORS

M/s. Rathi & Associates
Company Secretaries

INTERNAL AUDITORS

M/s. B. L. Dasharda & Associates
Chartered Accountants

JOINT VENTURE COMPANY

Bhansali Nippon A & L Pvt. Ltd
Regd. Office: 401, 4th Floor,
Peninsula Heights,
C. D. Barfiwala Road,
Andheri (West), Mumbai - 400058.



CORPORATE *Information*

REGISTERED OFFICE

401, 4th Floor, Peninsula Heights,
C.D. Barfiwala Road, Andheri (West), Mumbai - 400058

MARKETING OFFICES

Ahmedabad

504, 5th Floor, Kalpana Complex,
Near Memnagar Fire Station,
Navranpura,
Ahmedabad - 380009
(Gujarat)

Chennai

121, Casa Grande Futura,
Sriperumbudur-Oragadam Road,
Sriperumbudur,
Chennai - 602105
(Tamil Nadu)

Pune

Shop No. 303, 3rd Floor, XION Mall,
Hinjawadi Road, Wakad,
Hinjawadi Village, Pune - 411012
(Maharashtra)

Bengaluru

Unit No: 907, 9th Floor,
A wing, Mittal Towers,
MG Road,
Bengaluru - 560001
(Karnataka)

Haryana

Unit no: 302, 3rd floor,
Palm Court Building 20/4,
Sukhrali Chowk, Opposite Huda Park,
Sector 14, Gurugram - 122001
(Haryana)

MANUFACTURING PLANTS



Abu Road

Plot no. SP-138-143,
Ambaji Industrial Area,
Abu Road,
Sirohi - 307026
(Rajasthan)



Satnoor

Bhansali Nagar, Post: Pardsinga,
Taluka Sausar
Dist.: Chhindwara
Satnoor- 480108
(Madhya Pradesh)

PROFILE OF ALL *Board Members*



Mr. M.C. Gupta is a retired I.A.S. officer of 1960 batch. He has served the Union & State Governments in various capacities including Industries Secretary – Govt. of India, Advisor–Industries Planning Commission and as Member Secretary of the Tenth Finance Commission. He retired as the Chief Secretary to the Govt. of Haryana in 1997. He also served as Advisor to United Nations Industrial Development Organization (UNIDO). He has also served as the Chairman/ Director on the Board of many eminent public sector and private sector companies.



Mr. B.M. Bhansali entered in the ABS & SAN manufacturing business in 1986 by setting up of Bhansali Engineering Polymers Limited as a Promoter. He has been honoured with “Udyog Ratan Award” by Institute of Economic Studies; “Indian Achievers Award for Quality Excellence” by All India Achievers Foundation; and “International Achievers Award for Business Excellence” by International Achievers Conference.



Dr. B.S. Bhesania is an eminent Solicitor of High Court, Mumbai. He has experience as Advocate Supreme Court of India, Solicitor Supreme Court of England & Wales, Solicitor Supreme Court of Hong Kong. He has done Ph.D. (Law) from Mumbai University. He is associated as a Consultant with M/s. Mulla & Mulla, Craigie Blunt & Caroe, one of the leading law firms of the country and having international recognition.

He has held in the past, directorship of many companies.



Mr. Dilip Kumar was the Ex-Chief Commissioner of Income Tax. He has varied knowledge and experience of Accounting, Taxation, Administration and other allied matters thereto.



Ms. Jasmine F. Batiwalla is the member of the Institute of Company Secretaries of India. She has over 35 years' experience across legal, compliance and corporate secretarial functions covering banking, investment banking, asset management and insurance broking. She is the Chairperson of the Board of Trustees of HSBC Mutual Fund. As General Counsel, HSBC India she had managed organic growth, acquisitions, divestments, regulatory challenges across the financial services spectrum. She contributed towards framing the code of the Banking Codes and Standards Board of India and was a member of FICCI's Corporate Laws Committee.



Mr. Jayesh B. Bhansali is a Post Graduate in Commerce and deals with various portfolios of Company including but not limited to Marketing, Finance and General Administration and possesses extensive and enriched experience of the overall affairs of Company.



Mr. Jaivardhan holds Bachelor's degree of Technology (Chemical) and post Graduate Diploma in Industrial Safety. He has extensive and enriched experience in the areas ranging from managing the production to handling the operations of the factory, its regulatory compliances, Budgeting, Total Quality Management, Resource Allocation and Plant expansion, modernization, installation & commissioning and other allied activities.

Further, he has immense knowledge, understanding and skillsets in managing the operations of the Plant and implementing and sustaining requirements of HSE, QMS and other statutory norms by acclimatizing himself with international certified trainings.

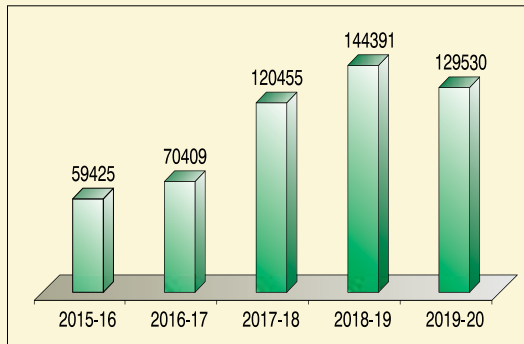


FIVE YEAR *Statistical Information* AT A GLANCE

(₹ in lakh)

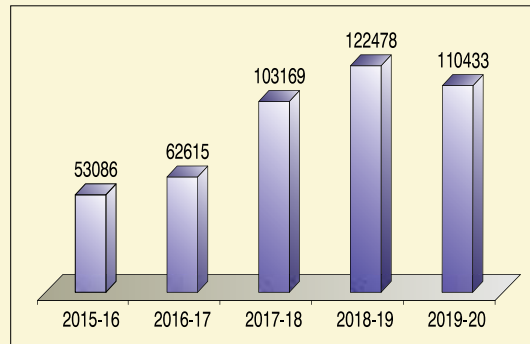
Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Installed Capacity [in tons per annum (TPA)]	1,37,000	1,37,000	80,000	80,000	80,000
Equity Share Capital	1,659.06	1,659.06	1,659.06	1,659.06	1,659.06
Other Equity	33,961.29	28,231.20	24,154.09	14,182.84	11,104.97
Total Equity (Net Worth)	35,620.35	29,890.26	25,813.15	15,841.90	12,764.03
Net Worth per equity share of Re.1 each	21.47	18.02	15.56	9.55	7.69
Current Ratio	1.72	1.86	2.04	1.28	1.22
Income and Profits					
Gross Sales	1,29,530.37	1,44,391.19	1,20,455.38	70,408.67	59,425.15
Net Sales (Excluding GST and Excise)	1,10,433.02	1,22,477.99	1,03,169.13	62,614.50	53,086.00
Profit/(Loss) before Tax	8,261.14	7,736.79	15,431.48	5,587.76	2,338.62
Tax	1,578.68	3,084.03	5,467.55	2,110.53	669.84
Profit/(Loss) after Tax	6,682.46	4,652.76	9,963.93	3,477.23	1,668.78
Profit/(Loss) for the Year	6,730.13	4,677.14	9,941.53	3,477.23	1,668.78
Earnings per share (in Rs.)	4.03	2.80	6.01	2.10	1.01
Dividend per share of Re.1	0.50	0.50	0.30	0.20	0.10

FINANCIAL *Highlights*



GROSS SALES

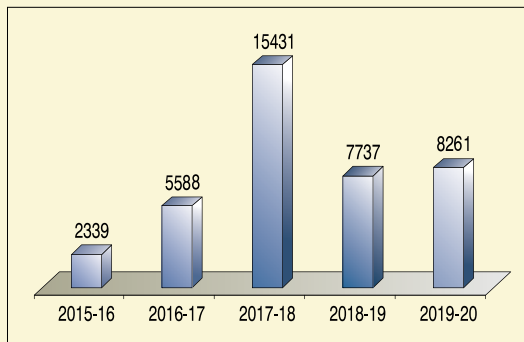
(₹ in lakh)



NET SALES

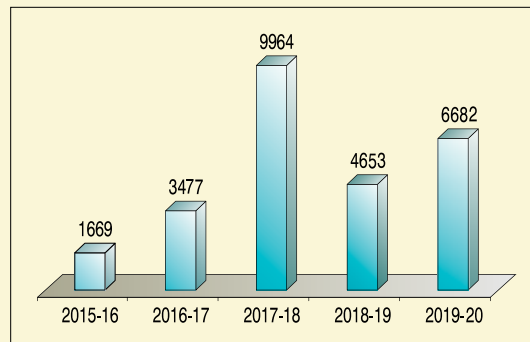
(Excluding GST & including Excise)

(₹ in lakh)



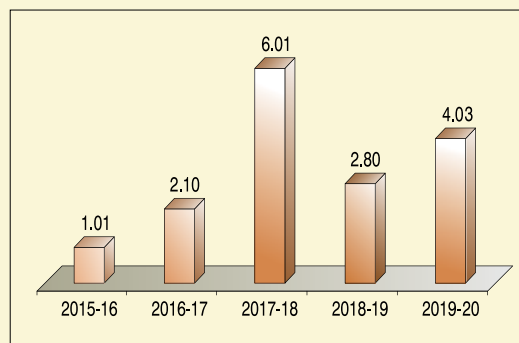
PROFIT BEFORE TAX

(₹ in lakh)



PROFIT AFTER TAX

(₹ in lakh)



EARNINGS PER SHARE

(Face Value ₹ 1)

MESSAGE FROM THE *Chairman*



Dear Shareholders,

As of now, the economy is in the midst of the biggest catastrophe over 100 years, Covid-19 pandemic. The magnitude of the pandemic has resulted in socioeconomic disruption, fear and the tragic loss of human lives. The current fall in economic activity is at a level, never seen in previous recessions. The discovery of a vaccine seems to be the only way out and till such time, it is likely to be a turbulent drive with a continuous stop-start rhythm and following strict health practices and frequent lockdowns.

In the past, all of us have gone through the economic crises and each time we emerged stronger and bounced back. I am hopeful that Covid-19 calamity will also pass and in the near future, a new wave of business energy will be unleashed. This AGM, through video conferencing, is an aberration. We do hope that the 2021 AGM will be a normal event.

I feel pleased in presenting the Annual Report of the Company for Fiscal 2020. The Operational Revenue (net) stood at ₹ 110,433 lakh and PBT at ₹ 8,261 lakh. After considering the provision for tax of ₹ 1,578 lakh, the profit from continuing operations was ₹ 6,682 lakh whereas the total comprehensive income was ₹ 6,730 lakh.

We are fairly optimistic as we look at the future.

While concluding, I would like to place on record our deep appreciation for the efforts put in by the Management team under the dynamic and strong leadership of the Managing Director Shri B. M. Bhansali. I also extend my rich compliments to my colleagues on the Board who have been guiding the management towards formulating broad policies to govern the affairs of the Company. I am dearly grateful to the esteemed shareholders for their unstinted support in our endeavours.

With Best Wishes

M. C. Gupta
Chairman

MESSAGE FROM THE *Managing Director*



Dear Shareholders,

It gives me immense pleasure to connect with you for the first time through Virtual Video Conferencing mode during Covid-19 Pandemic ensuring the Safety of all the Share Holders.

During this difficult time of the Pandemic, the Company has contributed positively to the PM CARES Fund and CM Fund as part of its responsibility to the Nation. The journey ahead will definitely be challenging, but we are confident in our ability to continue to rise and bounce back positively.

In the wake of the call given by our Hon'ble Prime Minister, Shri Narendra Modi for ATMANIRBHAR BHARAT ABHIYAAN, BEPL is fully committed to set-up the proposed ABS Expansion Project with State of the Art technology in a time bound manner.

Your Company has been able to withstand several odds and is presenting yet another year of improved financial results. In adverse circumstances, the stability and growth is best appreciated.

I would like to thank the entire team at BEPL for their untiring efforts and sincere commitment to achieve the goals and objectives we have set for our Company. I would like to convey my sincere appreciation to the Board of Directors for their time to time guidance. I would also like to express my heartiest gratitude to all our stakeholders for their enduring faith in BEPL.

Warm Regards,

B. M. Bhansali
Managing Director

उद्धरेदात्मनात्मानम् | Save yourself by yourself - by Swami Vivekananda.



NOTICE

NOTICE is hereby given that the 36th Annual General Meeting (**'AGM'**) of Bhansali Engineering Polymers Limited will be held on Saturday, 26th September, 2020 at 11:30 am through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business(es):

ORDINARY BUSINESS:

1. Adoption of Annual Accounts:

To receive, consider and adopt:

- Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
- Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020 and the Report of Auditors thereon.

2. Declaration of dividend:

To declare dividend on Equity Shares of ₹ 1/- each for the Financial Year ended 31st March, 2020.

3. Re-appointment of Mr. Jayesh B. Bhansali (DIN: 01062853), the retiring director:

To appoint a Director in place of Mr. Jayesh B. Bhansali (DIN: 01062853), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of remuneration payable to the Cost Auditors of the Company for the Financial Year 2020-21.

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

"RESOLVED THAT, pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (**'the Act'**) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and other applicable acts, rules and regulations, if any, the cost audit fee payable to M/s. Joshi Apte & Associates, Cost Accountants, Pune (FRN-000240), appointed by the Board of Directors of the Company as the Cost Auditors vide resolution dated 16th June, 2020, to conduct the audit of the cost records of the Company for the Financial Year 2020-21, be ₹ 90,000/- (Rupees Ninety Thousand Only) plus taxes and reimbursement of out of pocket expenses that may be incurred during the course of audit, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT, Mr. B. M. Bhansali, Managing Director (DIN: 00102930), Mr. Jayesh B. Bhansali, Executive Director cum CFO (DIN: 01062853) and Mr. Ashwin M. Patel, Company Secretary be and are hereby severally authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution."

5. Re-appointment of Mr. Jayesh B. Bhansali (DIN: 01062853) as an Executive Director cum CFO of the Company for a further period of 5 years w.e.f. 1st April, 2021 to 31st March, 2026.

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

"RESOLVED THAT, pursuant to the applicable provisions of Section 152, 196, 197 and 203 of the Companies Act, 2013 (**'the Act'**) and Schedule V thereto, and other applicable acts, rules and regulations, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and subject to approval(s)/ permission(s) of authorities and/or agency(ies) etc. as may be necessary, in this regard and as per the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolutions dated 16th June, 2020, consent of the Members be and is hereby accorded for the re-appointment of Mr. Jayesh B. Bhansali (DIN: 01062853), as an Executive Director cum CFO of the Company,

liable to retire by rotation, for a further period of 5 years w.e.f 1st April, 2021, at his existing remuneration of ₹ 5 lakh per month and commission, both not exceeding 5% of the total net profits of the Company, in the manner and limits as stated herein below and on such other terms and conditions as set out in his employment agreement.

1. **Term:** For a period of five years from 1st April, 2021 to 31st March, 2026 and shall be liable to retire by rotation.
2. **Position:** Executive Director
3. **Designation:** Executive Director cum CFO
4. **Remuneration:**

a. Salary :	₹ 5,00,000/- (Rupees Five lakh) per month.
b. Perquisites & allowances:	<ol style="list-style-type: none"> i. Leave Travel Concession (LTC) – Return Passage for Mr. Jayesh B. Bhansali and his family once in a year in India, in accordance with the policy of the Company. ii. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Jayesh B. Bhansali. iii. Statutory contribution to Provident Fund, superannuation/annuity fund and Gratuity payable as per respective legal provisions and as may be applicable to the Company. iv. Encashment of Leave at the end of the tenure in accordance with the policy of the Company.
c. Commission (in case of adequate profit in any financial year during his tenure)	<p>The amount of such Commission being the difference between following two items:-</p> <ol style="list-style-type: none"> i. 5% of Net Profit of the Company receivable by Mr. Jayesh B. Bhansali, Executive Director cum CFO for a particular Financial Year in accordance with the limits specified in Section J of Part II of Schedule V to the Companies Act, 2013 and ii. The aggregate of salary, perquisites and allowances paid or payable to Mr. Jayesh B. Bhansali during such Financial Year as per clause (a) & (b) mentioned hereinabove.

RESOLVED FURTHER THAT, in the event of absence or inadequacy of net profit in any Financial Year, the remuneration payable to Mr. Jayesh B. Bhansali (DIN: 01062853) shall be governed by Section II of Part II of Schedule V to the Act or any statutory modification(s) or re-enactment(s) thereof and the amount so computed shall be treated as the Minimum Remuneration payable to him for such Financial Year in any case, whatsoever;

RESOLVED FURTHER THAT, Mr. M.C. Gupta, Chairman (DIN: 01362556) and Mr. B. M. Bhansali, Managing Director (DIN: 00102930) be and are hereby severally authorized for and on behalf of Company to sign the said employment agreement with Mr. Jayesh B. Bhansali (DIN: 01062853) and undertake all other activities as may be incidental or expedient in this regard;

RESOLVED FURTHER THAT, Mr. Ashwin M. Patel, Company Secretary be and is hereby authorized to do all such acts, deeds and things, as may be necessary for compliance with the applicable laws and to file the aforesaid resolution with the Registrar of Companies and sign and issue a certified copy of the aforesaid resolution, whenever necessary."

6. **Appointment of Mr. Jaivardhan (DIN: 08750324) as a Director of the Company.**

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

"RESOLVED THAT, pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with applicable rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Mr. Jaivardhan (DIN: 08750324) who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 16th June, 2020 and who holds office upto the date of this Annual General Meeting and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT, any Directors or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary, proper or desirable to give effect to the said resolution."



7. Appointment of Mr. Jaivardhan (DIN: 08750324) as Whole-Time Director of the Company

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

“RESOLVED THAT, pursuant to the provisions of Section 152, 196, 197 and 203 of the Companies Act, 2013 (**‘the Act’**) and Schedule V thereto and other applicable acts, rules and regulations, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and subject to approval(s)/permission(s) of authorities and/or agency(ies) etc. as may be necessary in this regard and as per the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the approval of Board of Directors vide resolutions dated 16th June, 2020, consent of the Members be and is hereby accorded for the appointment of Mr. Jaivardhan (DIN: 08750324) as the Whole-Time Director of the Company, for a period of five years w.e.f 16th June, 2020, liable to retire by rotation and on the below mentioned terms and conditions including the remuneration;

1. **Term:** For a period of five years from 16th June, 2020 to 15th June, 2025 and shall be liable to retire by rotation.
2. **Position:** Whole-Time Director
3. **Remuneration:**

a. Salary :	₹ 20,52,000/- per annum
b. Perquisites & allowances:	₹ 33,48,240/- per annum

RESOLVED FURTHER THAT, in the event of absence or inadequacy of net profit in any Financial Year, the remuneration payable to Mr. Jaivardhan (DIN: 08750324) shall be governed by Section II of Part II of Schedule V to the Act or any statutory modification(s) or re-enactment(s) thereof and the amount so computed shall be treated as the Minimum Remuneration payable to him for such Financial Year in any case, whatsoever;

RESOLVED FURTHER THAT, Mr. M.C. Gupta, Chairman (DIN: 01362556), Mr. B. M. Bhansali, Managing Director (DIN: 00102930) and Mr. Jayesh B. Bhansali, Executive Director cum CFO (DIN: 01062853) be and are hereby severally authorized for and on behalf of the Company to sign the employment agreement with Mr. Jaivardhan (DIN: 08750324) and undertake all other activities as may be incidental or expedient in this regard;

RESOLVED FURTHER THAT, Mr. Ashwin M. Patel, Company Secretary be and is hereby authorized to do such acts, deeds and things, as may be necessary for compliance with the applicable laws and to file the aforesaid resolution with the Registrar of Companies and sign and issue a certified copy of the aforesaid resolution, whenever necessary.”

By Order of the Board of Directors

Place: Mumbai
Date : 16th June, 2020

Ashwin M. Patel
Company Secretary

Registered Office:

401, 4th Floor, Peninsula Heights,
C. D. Barfiwala Road, Andheri (West),
Mumbai 400058

Notes:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (**‘MCA’**) has, vide General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 20/2020 dated 5th May, 2020 (**collectively MCA Circulars**), permitted companies to conduct **AGM** through **VC** or **OAVM**, subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**‘Listing Regulations’**), the 36th AGM of the Company is being convened and conducted through VC.
2. The Company has enabled the Members to participate at the 36th AGM through the VC facility provided by Link Intime India Private Limited, Registrar and Share Transfer Agents (**‘RTA/LIPL’**). The instructions for participation by the Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.

3. As per the provisions under the MCA Circulars, Members attending the 36th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. The Company has provided the facility to Members to exercise their right to vote by electronic means, both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to e-voting that will take place during the 36th AGM being held through VC.
5. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
6. The Explanatory Statement pursuant to Section 102 of the Act, in respect of the Special Businesses mentioned in Item No. 4 to 7 of the accompanying Notice is annexed hereto.
7. Corporate Members are required to access the link <https://instameet.linkintime.co.in> and upload a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf.
8. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names shall be entitled to vote.
9. The Register of Directors and Key Managerial Personnel ('KMP') and their shareholding, maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which the Directors are interested, maintained under Section 189 of the Act, shall be available for inspection during the 36th AGM. Members seeking to inspect such documents can send an email to investors@bhansaliabs.com
10. Members are requested to note that the Company's Equity shares are under compulsory demat trading for all class of investors, as per the provisions of SEBI circular dated 29th May, 2000. In view of above, members are advised in their own interest to dematerialize the shares held by them in physical form to avoid inconvenience and avail various benefits of dematerialization.
11. In line with the MCA Circulars, the notice of the 36th AGM along with the Annual Report 2019-20 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2019-20 will also be available on the Company's website at <http://bhansaliabs.com/investor/quarterly-final-result/> and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.
12. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 19th September, 2020 to Saturday, 26th September, 2020 (both days inclusive) for determining the name of members eligible for dividend on Equity Shares, if declared at the Meeting.
13. Subject to the applicable provisions of the Act, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid on Thursday, 1st October, 2020:-
 - a. to all the beneficial owners in respect of shares held in dematerialized form as per the data received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, 18th September, 2020; and
 - b. to all the members in respect of shares held in physical form at the close of business hours on Friday, 18th September, 2020.
14. E-voting period will start from Wednesday, 23rd September, 2020 at 9.30 a.m. and will end on Friday, 25th September, 2020 at 5.00 p.m. Members holding shares as at the close of business hours on Friday, 18th September, 2020 (being '**cut-off date**') shall be entitled to vote on the matters provided in this Notice.
15. Members who wish to claim dividends, which remain unclaimed, are requested to either correspond with the Secretarial Department at the Company's registered office or the Company's RTA for revalidation and encashment before the due dates. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF.



In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in/> and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a Financial Year as per the IEPF Rules.

Pursuant to the Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2019 on its website at <http://bhansaliabs.com/investor/unclaimed-dividends/> and also on the website of the MCA.

16. Members desirous of obtaining any information on the financials and operations of the Company, are requested to send an email to the Company at least seven working days prior to the date of the AGM, so that the information can be kept ready during the meeting.

17. As the 36th AGM is being held through VC, the route map is not annexed to this Notice.

❖ **Procedure and Instructions for remote E-voting:**

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company has provided to its members, facility to cast their vote electronically through the electronic voting system before the AGM (remote e-voting) arranged by LIPL. The instructions for remote e-voting are as under:

1) Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

➤ Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
- Shareholders/members holding shares in **NSDL demat account shall provide ‘D’, above**
- Shareholders/members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

➤ Click “confirm” (Your password is now generated).

Note: If Shareholders/members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2) Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

3) Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

4) After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

- 5) E-voting page will appear.
- 6) Refer the Resolution description and cast your vote by selecting your desired option '**Favour/Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- 7) After selecting the desired option i.e. Favour/Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.
- 8) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian/Mutual Fund/Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian/Mutual Fund/Corporate Body**' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/members are having valid email address, Password will be sent to his/her registered e-mail address.
- Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on Tel: 022 -4918 6000.

❖ Instructions for attending the AGM through VC:

- 1) Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
 - Select the "**Company**" and '**Event Date**' and register with your following details: -
 - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.



D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Note: Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/InstaMEET website.

❖ **Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:**

- 1) Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on investors@bhansali.com.
- 2) Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
- 3) Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- 4) Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
- 5) Please remember your speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Note: Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

❖ **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

- 1) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- 2) Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMEET and click on 'Submit'.
- 3) After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- 4) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- 5) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- 6) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Other Instructions:

1. A Member can opt for only one mode of voting, i.e. either through Remote e-voting or by e-voting during the AGM. If a Member casts his/her vote using both the modes, then voting done through Remote e-voting shall prevail.
2. Members, whose names appear in the Register of Members/Record of Depositories as on Friday, 18th September, 2020, will be eligible for voting. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the cut-off date. Any recipient of the AGM Notice who is not a member as on the said date should treat this notice for information purpose only.
3. Mr. Himanshu S. Kamdar, Partner of M/s. Rathi & Associates, Practicing Company Secretaries, Mumbai (COP No. 3030), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The results of the votes cast through e-voting and remote e-voting will be declared in the manner as specified under the applicable rules and regulations.
5. The results declared along with the Scrutinizer's Report will be communicated to the BSE Ltd. and The National Stock Exchange of India Ltd. and will also be placed on the Company's website www.bhansaliabs.com and on the website of e-voting service provider (<https://instavote.linkintime.co.in>) immediately after the result is declared by the Chairman of the Company or any other person authorized by him.
6. In case of any query/grievance relating to e-voting, Members may contact LIPL by e-mail at enotices@linkintime.co.in or the Secretarial Department of the Company at investors@bhansaliabs.com
7. Members are requested to notify any change in their address immediately, to their respective Depository Participants in respect of their shares held in electronic form quoting Client ID No. and to the RTA of the Company in respect of their physical shares, quoting the Folio No. The members are also requested to submit the proof of changed address for verification purpose.
8. As per the provisions of Section 72 of the Act, facility for making nomination is available for Members, in respect of shares held by them. Members holding shares in single name and who have not yet registered their nomination are advised to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the form(s) to the RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the Depository Participants with whom the member is maintaining demat account.
9. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank details by every participant of securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN and bank details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and bank details to the RTA.
10. Payment of dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the bank account of the Members, wherever relevant information is made available to the Company. Members holding shares in physical form and covered under RBI centers, and who have not furnished requisite information and who wish to avail the NECS facility to receive dividend from the Company, may furnish the information to RTA of the Company. Members holding shares in electronic form may furnish the information to their respective Depository Participant(s) in order to receive dividend through NECS mechanism.
11. Members, who hold share under multiple folios in same name(s) or in joint holding, but in same order of names, are requested to consolidate their holdings into single folio.
12. With a view of supporting the 'Go Green initiative', we request Members to register/update their email address with their Depository Participant(s) to enable the Company to send future communications electronically.



EXPLANATORY STATEMENT

The following explanatory statement pursuant to Section 102 of the Act, sets out the material facts relating to the special business(es) mentioned in the Notice of the AGM.

ITEM NO. 4:

The Board, in its meeting held on 16th June, 2020, based on the recommendation of the Audit Committee, approved the re-appointment of M/s Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No. 000240), as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2020-21 at a cost audit fee of ₹ 90,000/- (Rupees Ninety Thousand only) plus taxes and reimbursement of out of pocket expenses that may be incurred during the course of audit.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the cost audit fee payable to the Cost Auditors needs to be ratified by the Members of the Company.

The Board of Directors propose the ratification of the cost audit fee to be paid to M/s Joshi Apte & Associates, Cost Accountants, for conducting the cost audit of the Company for Financial Year 2020-21 and recommends the passing of Ordinary Resolution as set out in Item No. 4 of the accompanying Notice for the approval of the members.

None of the Directors/KMP or their relatives are in any way concerned or interested, financially or otherwise, in the resolution stated in item no. 4 of this notice.

ITEM NO. 5:

The members at the AGM of the Company held on 29th September, 2018, had approved the appointment of Mr. Jayesh B. Bhansali (DIN: 01062853), as an Executive Director cum CFO of the Company for a period of 3 years w.e.f. 1st April, 2018 up to 31st March, 2021.

Mr. Jayesh B. Bhansali is associated with the Company since year 2006. In his existing role as an Executive Director cum CFO of the Company, he has been responsible for the day to day operations of the Company, strategic planning, management of key relationships, as well as building a sustainable growth oriented organization that maximizes value for all its stakeholders.

The aforesaid tenure of Mr. Jayesh B. Bhansali (DIN: 01062853) shall end on 31st March, 2021. Accordingly, the Board of Directors and the Nomination and Remuneration Committee (NRC) at their respective meetings held on 16th June, 2020 after taking into account his performance in the existing tenure and considering his vast experience and expertise in handling the operations of the Company, including but not limited to Marketing, Finance and General Administration, has recommended to the members, the re-appointment of Mr. Jayesh B. Bhansali (DIN: 01062853) as an Executive Director cum CFO of the Company, liable to retire by rotation, to hold office for a further period of 5 years w.e.f. 1st April, 2021 up to 31st March, 2026.

Pursuant to Section 160 of the Act, the Company has received notice from a member proposing candidature of Mr. Jayesh B. Bhansali (DIN: 01062853) for the office of a Director of the Company.

Accordingly, the Board of Directors recommend the passing of Ordinary Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the members.

The Company has received from Mr. Jayesh B. Bhansali (DIN: 01062853) **(i)** a consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, **(ii)** an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Act. and **(iii)** Confirmation on the fulfillment of criteria as laid down under Schedule V of the Act.

The details of Mr. Jayesh B. Bhansali (DIN: 01062853), as per the requirements of Secretarial Standards ('SS-2') and Regulation 36 (3) of the Listing Regulations are given in '**Annexure A**'.

The copy of the agreement setting out the terms and conditions of re-appointment and remuneration of Mr. Jayesh B. Bhansali (DIN: 01062853), shall be available for inspection during the 36th AGM. Members seeking to inspect the said agreement can send an email to investors@bhansaliabs.com.

Except Mr. Jayesh B. Bhansali and his relatives, none of the other Directors or KMP of the Company, are in any way, concerned or interested, financially or otherwise, in resolution stated in Item No. 5 of the Notice.

ITEM NO. 6 & 7

In pursuance to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Act, read with applicable rules made thereunder, Articles of Association of the Company and in terms of the recommendation of the Nomination and Remuneration Committee vide its resolution dated 16th June, 2020, the Board of Directors vide its resolution dated 16th June, 2020, appointed Mr. Jaivardhan (DIN: 08750324) as an Additional Director designated as a Whole-Time Director, to hold the office upto the date of this AGM. Subsequently, at the same Board Meeting, the Board approved his appointment as Whole-Time Director of the Company, liable to retire by rotation, for a period of five years with effect from 16th June, 2020 up to 15th June, 2025 subject to the approval of members of the Company on such terms and conditions including remuneration as mentioned in the aforesaid resolution and the Employment Agreement entered between the Company and Mr. Jaivardhan (DIN: 08750324).

The Company has received from Mr. Jaivardhan (DIN: 08750324) **(i)** a consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, **(ii)** an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and **(iii)** Confirmation on the fulfillment of criteria as laid down under Schedule V of the Act.

Pursuant to Section 160 of the Act, the Company has received notice from a member proposing candidature of Mr. Jaivardhan (DIN: 08750324) for the office of a Director of the Company.

The details of Mr. Jaivardhan (DIN: 08750324), as per requirements of Secretarial Standards ('SS-2') and Regulation 36 (3) of the Listing Regulations are given in '**Annexure B**'.

Mr. Jaivardhan has vast experience in managing factory operations while implementing and sustaining all the requirements of HSE, QMS and statutory norms. He has also worked at the Company's Satnoor Plant as the General Manager (Operations). His areas of expertise include Regulatory Compliance, Budgeting, Total Quality Management, Resource Allocation and Plant Expansion. Further, from the time Mr. Jaivardhan was appointed as an Additional Director, he has been responsible for the overall working of the Abu Road Factory and Satnoor Factory, respectively, as an 'Occupier'.

During the tenure of Mr. Jaivardhan (DIN: 08750324) as Whole-Time Director, where in any Financial Year, the Company has no profits or its profits are inadequate, the remuneration as mentioned in the resolution can be paid by the Company to Mr. Jaivardhan as minimum remuneration for a period of 3 years in accordance with the requirements as laid down under Schedule V of the Act.

The copy of the agreement setting out the terms and conditions of appointment and remuneration of Mr. Jaivardhan, shall be available for inspection during the 36th AGM. Members seeking to inspect the said agreement can send an email to investors@bhansaliabs.com.

Except Mr. Jaivardhan and his relatives, none of the other Directors and KMP and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution stated in Item Nos. 6 & 7 of the Notice.

The Board of Directors recommend the passing of Ordinary Resolutions as stated in Item Nos. 6 & 7 respectively of the accompanying Notice for the approval of the members.

By Order of the Board of Directors

Place: Mumbai
Date : 16th June, 2020

Ashwin M. Patel
Company Secretary

Registered Office:
401, 4th Floor, Peninsula Heights,
C. D. Barfiwala Road, Andheri (West),
Mumbai 400058



ANNEXURE A

THE BRIEF PARTICULARS/ RESUME AND OTHER INFORMATION OF MR. JAYESH B. BHANSALI AS PER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SS-2 IS STATED AS HEREUNDER:

Brief Profile and Expertise:

Mr. Jayesh B. Bhansali, Executive Director cum CFO of the Company deals with various portfolios of Company including but not limited to Marketing, Finance and General Administration and possesses vast experience and expertise in the overall affairs of Company.

Name and DIN	Mr. Jayesh B. Bhansali (DIN: 01062853)
Age	37 years
Qualifications	Post Graduate in Commerce
Experience	14 years
Terms and Conditions of appointment	Mr. Jayesh B. Bhansali shall be re-appointed as an Executive Director cum CFO for a further period of five years w.e.f. 1 st April, 2021 till 31 st March, 2026, as a Director liable to retire by rotation.
Remuneration paid	₹ 60.00 Lakh
Remuneration payable	The total remuneration (including commission) payable to Mr. Jayesh B. Bhansali shall be 5% of the Net Profit calculated in accordance with Section 198 of the Act.
Date of first appointment on Company's Board	23 rd September, 2006
Relationship between other Directors inter-se, if Any	Mr. Jayesh B. Bhansali, Executive Director cum CFO is the son of Mr. Babulal M. Bhansali, Managing Director of the Company.
No. of meetings attended during the Financial Year	4 of 4 Board Meetings held during the Financial Year 2019-20
No. of Equity shares of the Company held as on 31 st March, 2020	1,15,61,945 Equity Shares

Details of Directorships, Committee Chairmanships and Memberships of Mr. Jayesh B. Bhansali on the Boards of other Companies are as follows:

Name of Companies	Position (Whether as Director/Managing Director/Chairman)	Name of Committee	Position (Whether as Member/Chairman)
Speedage Commercials Ltd	Director	- Audit Committee	Member
		- Nomination and Remuneration Committee	Member
		- Stakeholders Relationship Committee	Member

Name of Companies	Position (Whether as Director/Managing Director/Chairman)	Name of Committee	Position (Whether as Member/Chairman)
Sheraton Properties and Finance Ltd	Director	– Audit Committee	Member
		– Nomination and Remuneration Committee	Member
		– Stakeholders Relationship Committee	Member
Bentley Commercial Enterprises Ltd	Director	– Audit Committee	Member
		– Nomination and Remuneration Committee	Member
		– Stakeholders Relationship Committee	Member
Bhansali International Pvt. Ltd	Director	—	—
Bhansali Industrial Investment and Finance Pvt Ltd	Director	—	—
Bhansali Innovative Finance Pvt. Ltd.	Director	—	—
Bhansali Engineering Industries Pvt. Ltd	Director	—	—
Bhansali Nippon A&L Pvt. Ltd	Director	—	—



ANNEXURE B

THE BRIEF PARTICULARS/ RESUME AND OTHER INFORMATION OF MR. JAIVARDHAN AS PER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SS-2 IS STATED AS HEREUNDER:

Brief Profile and Expertise:

Mr. Jaivardhan has vast experience in managing factory operations while implementing and sustaining all the requirements of HSE, QMS and statutory norms. He has also worked at the Company's Satnour Plant as the General Manager (Operations). His areas of expertise include Regulatory Compliance, Budgeting, Total Quality Management, Resource Allocation and Plant Expansion.

Name and DIN	Mr. Jaivardhan (DIN: 08750324)
Age	39 Years
Qualifications	B.Tech (Chemical), Post-Graduation in Industrial Safety and qualified as Lead Auditor for ISO 9001:2008.
Experience	14+ years in Production and Operations Department
Terms and Conditions of appointment	Mr. Jaivardhan shall be appointed as the Whole-Time Director for a period of five years w.e.f. 16 th June, 2020 till 15 th June, 2025, as a Director liable to retire by rotation.
Remuneration paid (FY 2019-20)	₹ 45,02,280/- per annum
Remuneration payable	The total remuneration (including commission) payable to Mr. Jaivardhan shall be 5% of the Net Profit calculated in accordance with Section 198 of the Act.
Date of first appointment on Company's Board	16 th June, 2020
Relationship between other Directors inter-se, if Any	None
No. of meetings attended during the Financial Year	Not Applicable
No. of Equity shares of the Company held as on 31 st March, 2020	None

Details of Directorships, Committee Chairmanships and Memberships of Mr. Jaivardhan on the Boards of other Companies are as follows:

Name of Companies	Position (Whether as Director/ Managing Director/Chairman)	Name of Committee	Position (Whether as Member/Chairman)
None			

By Order of the Board of Directors

Place: Mumbai

Date : 16th June, 2020

Ashwin M. Patel
Company Secretary

Registered Office:

401, 4th Floor, Peninsula Heights,
C. D. Barfiwala Road, Andheri (West),
Mumbai 400058

BOARD'S REPORT

Dear Shareholders,

The Board of Directors are pleased to present the 36th Annual Report of the Company together with its Audited Financial Statements (Standalone and Consolidated) for the Financial Year ('FY') ended 31st March, 2020.

FINANCIAL AND OPERATIONAL RESULTS

(₹ in lakh, except EPS)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Gross Sales/Income from Operations	129530.37	144391.19	129530.37	144391.19
Less: GST	19097.35	21913.20	19097.35	21913.20
Total Operational Revenue (Net of GST including Excise)	110433.02	122477.99	110433.02	122477.99
Other Income	590.06	689.80	590.06	689.80
Total Income	111023.08	123167.79	111023.08	123167.79
EBIDTA	9224.14	8592.09	9,224.14	8592.09
Less: Finance Cost	11.23	121.30	11.23	121.30
Depreciation and Amortisation	951.77	734.00	951.77	734.00
Profit before share of net profit/(loss) of investment accounted for using equity method	0.00	0.00	8261.14	7736.79
Share of profit/(loss) from Joint Venture accounted for using equity method	0.00	0.00	18.99	68.43
Profit Before Tax (PBT)	8261.14	7736.79	8280.13	7805.22
Provision for tax (including Deferred Tax)	1578.68	3084.03	1578.68	3084.03
Profit from Continuing Operations after Tax (PAT)	6682.46	4652.76	6701.45	4721.19
Other Comprehensive Income	47.67	24.38	47.67	24.38
Total Comprehensive Income for the Financial Year	6730.13	4677.14	6749.12	4745.57
Net Worth	35620.35	29890.26	35621.19	29872.12
EPS (Equity Share of ₹ 1/- each)	4.03	2.80	4.04	2.85

FINANCIAL HIGHLIGHTS:

The results achieved during the financial year depict a profound improvement in operations over the previous financial year as was narrated in the Management and Discussion Analysis of the Annual Report of Fiscal 2019 reproduced herein below:

Extract from the Board report of the previous year

For last several years, global ABS capacity utilization was hovering around 70%, which in the last 3 years has ramped up to 90%. As a result of this phenomenon, there is a global shortage of ABS consequent where upon practically each and every ABS producer in the world is making good money, which they have not witnessed over last two decades. BEPL is no exception to this phenomenon. The financial result of fiscal 2019 which is likely to be much better in 2020 onwards is largely attributable to the phenomenon mentioned in the foregoing.

The key highlights of the Company's performance based on the **Standalone** Balance Sheet as on 31st March, 2020 is reflected as under:

- ❖ **Net Worth:** During the financial year under review, the Net Worth of the Company stood at ₹ 35,620.35 lakh, as compared to ₹ 29,890.26 lakh for the previous financial year, an increase of 19.17%. The Return on Net Worth stood at 18.76% as against 15.57% in FY 2018-19, an increase of 3.19%.
- ❖ **Book Value of Shares:** The Book value of the Equity shares increased from ₹ 18.02 in FY 2018-19 to ₹ 21.47 in FY 2019-20, an increase of ₹ 3.45.



- ❖ **Current Ratio:** As on 31st March, 2020 the current ratio was 1.72 as compared to 1.86 as of 31st March, 2019.
- ❖ **TOL/TON:** The ratio of total liability to total net worth for FY 2019-20 was 0.83 as compared to 0.77 for FY 2018-19.
- ❖ **Zero Debt:** The Company continues to enjoy the status of a “**Zero Debt Company**”.
- ❖ **Financing Pattern:** There is no change in the financing pattern and the Company would be able to sustain its business operations through internal accruals.
- ❖ **Sales Credit Control:** During the financial year under review, the debtor's percentage to sales decreased from 15.50% in FY 2018-19 to 11.87% in FY 2019-20.
- ❖ **Debtors Turnover Ratio:** During the financial year under review, the Debtors Turnover Ratio was 8.43 as compared to 6.45 in the previous fiscal.
- ❖ **Inventory Turnover Ratio:** During the financial year under review, the Inventory Turnover Ratio was 5.79 as compared to 11.28 in FY 2018-19.
- ❖ **Operating Profit Margin (%):** The Operating Profit Margin for FY 2019-20 stood at 7.48% as compared to 6.32% for FY 2018-19.
- ❖ **Net Profit Margin (%):** The Net Profit Margin for FY 2019-20 stood at 6.05% as compared to 3.80% for FY 2018-19.

Research and Development Facilities:

The Company has received the recognition from the Department of Science and Industrial Research (DSIR), Government of India on 27th June, 2019 for its state-of-the-art Research and Development Centre ('**R&D Centre**') at Abu Road, Rajasthan.

The said certificate entitles the Company for a host of concessions including but not limited to customs/ central duty exemption on purchase of equipment, stores & spares, instruments etc. during the period of recognition and subject to relevant government policies in force from time to time.

The experts from Nippon A&L, Company's Joint Venture Partner, are headquartered in India for extending their support in terms of additional manpower to be deployed, development of new recipe etc.

The R&D Centre has till date successfully developed 20 different Grades of ABS for the Automobile and the Home Appliances segment which were currently being imported along-with significant improvements in the properties of the existing material and various other colour developments. The Company has now started reaping the benefits of its in-house R & D centre by way of new and improved products, leading to customer loyalty and satisfaction.

Further, there has been no change in the nature of business of the Company.

FUTURE EXPANSION:

ATMANIRBHAR BHARAT ABHIYAAN - Make In India. Addressing the nation on 12th May, 2020, Hon'ble Prime Minister Shri Narendra Modi announced a special economic package for an Aatmanirbhar or self-reliant India. In his address to the nation, he outlined the following five pillars for building a self-reliant India:

1. **Economy** - which brings in quantum jump and not incremental change. The government's goal is to make India a USD 5 Trillion economy by 2025;
2. **Infrastructure** - which will become India's new identity. To achieve the target of a USD 5 Trillion economy, more than INR 100 lakh Crore will be invested in infrastructure development in India over the next five years;
3. **Systems** - based on 21st century technology driven arrangements;
4. **Vibrant Demography** - which will prove to be a competitive advantage for a self-reliant India; and
5. **Demand** - utilized to its full capacity.

Seeing the aggressive plan under ATMANIRBHAR BHARAT ABHIYAAN and further announcement by the Hon'ble Finance Minister to create land bank for Industrial Cluster up-gradation of common infrastructure facilities and connectivity, the Company is continuously thriving its best to identify the suitable Land parcel for future Green Field Port based Expansion. Looking at the initiatives taken by the Government for self-reliant India, the Company strongly believes that in coming years, the demand of ABS shall grow exponentially and will outstrip the ABS supplies. To meet the growing demand of ABS in India, the Company may even have to re-think to carry out the future expansion at its existing Plant located at Satnoor (Madhya Pradesh) and Abu Road (Rajasthan), if the availability of the suitable Land parcel at PORT based location is delayed.

SHARE CAPITAL

During the financial year under review, the Authorized Share Capital of the Company was increased from existing ₹ 20,00,00,000 (Rupees Twenty Crore) divided into 20,00,00,000 (Twenty Crore) Equity Shares of ₹ 1/- each to ₹ 40,00,00,000 (Rupees Forty Crore) divided into 40,00,00,000 (Forty Crore) Equity Shares of ₹ 1/- each, by creation of additional 20,00,00,000 (Twenty Crore) Equity Shares of ₹ 1/- each ranking *pari passu* in all respect with the existing Equity Shares of the Company.

Further, during the financial year under review, there has been no change in the Paid-up Share Capital of the Company. As on 31st March, 2020, the Paid-up Share Capital was ₹ 16,59,05,640/- comprising of 16,59,05,640 Equity shares of ₹ 1 each fully paid.

The Company has, during the financial year under review, neither issued any Equity Shares with differential voting rights nor any shares (including sweat equity shares) to its employees under any scheme.

TRANSFER TO RESERVES

For the financial year ended 31st March, 2020, the Directors do not propose to transfer any amount to the General Reserve. An amount of ₹ 5730.09 lakh is proposed to be retained as surplus in the statement of Profit and Loss Account under the heading "Reserves and Surplus."

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

The Board of Directors had approved the Dividend Distribution Policy in accordance with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

The policy consists of various parameters, *inter-alia*, Company's dividend track record, usage of retained earnings, internal and external factors, financial conditions, etc. based on which the Board may recommend or declare Dividend.

The Policy may be accessed under the 'Policies and Procedures' section on the website of the Company at link: <https://bhansaliabs.com/dividend-distribution-policy/>

Considering the Company's performance for FY 2019-20 and to appropriately reward the members and at the same time, conserving resources to meet future financial requirements, the Directors have recommended, for the financial year ended 31st March, 2020, a dividend of Re.0.50 (50.00%) per Equity Share of face value of Re.1 per share, aggregating to ₹ 829.53 lakh, subject to the approval of members at the ensuing Annual General Meeting ("**AGM**"). The outgo on account of the proposed dividend of 50% (Previous Year 50%) tantamount to a pay-out of 12.41% of the profit after tax for FY 2019-20 as compared to 21.49% for the previous financial year, wherein the dividend distribution tax of ₹ 170.51 lakh was also included.

DEPOSITS

The Company has not invited any deposits from the public during the financial year and as such, no amount of principal or interest related thereto was outstanding as on 31st March, 2020.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013 ("the Act")

The Company has, during the financial year under review, not given any loans, guarantees or provided security and has not made any investments in any body corporate in excess of limits specified under Section 186 of the Act.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended from time to time, the unpaid and unclaimed dividend pertaining to the FY 2011-12, amounting to ₹ 4,17,108/- (Rupees Four Lakh Seventeen Thousand One Hundred and Eight only) which was lying in the Company's unpaid/unclaimed dividend account and remaining unclaimed for a period of seven years, was transferred to the Investor Education and Protection Fund ('IEPF').



Further, pursuant to the provision of Section 124(6) of the Act, read with Rule 6 of IEPF Rules, 154300 Equity shares on which dividend had not been paid or claimed for seven consecutive years had been transferred to the Demat account of the IEPF authority as provided in Circular no. 11/06/2017-IEPF dated 16th October, 2017 (General Circular No. 12/2017).

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

During the financial year under review, the Company did not have any Subsidiary Company. It has a Joint Venture (JV) Company, namely Bhansali Nippon A&L Private Limited, wherein it holds 50% of the paid-up equity share capital. The Registered Office of the JV Company is at 401, 4th Floor, Peninsula Heights, C. D. Barfiwala Road, Andheri (West), Mumbai - 400 058.

The Report on the performance and statement containing salient feature of Financial Statements of the aforesaid Joint Venture/ Associate Company in terms of Section 129 of the Act is separately attached in Form No. AOC-1 with the Consolidated Financials, which forms part of this Annual Report.

In accordance with Section 136 of the Act, the Financial Statements of the Company including the Consolidated Financial Statements pertaining to its aforesaid Joint Venture entity are available on the Company's website (www.bhansaliabs.com).

The Company has framed a policy on Material Subsidiaries in terms of Regulation 16(1)(c) of Listing Regulations. The policy may be accessed under the 'Policies and Procedures' section on the website of the Company at link <https://bhansaliabs.com/policy-on-material-subsidiaries/>

CONSOLIDATED FINANCIAL STATEMENTS

The Company has, in accordance with Section 129(3) of the Act, prepared Consolidated Financial Statements, consolidating its financials with its JV Company, Bhansali Nippon A&L Private Limited. The Audited Consolidated Financial Statements have been prepared in accordance with the requirements of Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and forms part of this Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report, as stipulated under the Listing Regulations, forms part of this Annual Report and is attached as **Annexure 1**.

COMMITMENT TO QUALITY

The Company is committed to quality. It aims to develop, produce and deliver products which consistently conform to the customer requirements, and to pursue the goal of error-free performance through product, process and management quality development. The Company continues to monitor and maintain its effective and well-crafted Quality Control (QC) measures. QC is aligned to the business objectives of the Company and ensures that the Company is focused on maintaining Quality Centric approach towards its customers/clients. Over the years, the Company has evolved robust processes and strives to improve them continuously.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in making lasting impact towards creating a just, equitable, humane and sustainable society. It considers that, 'it does not exist only for doing good business, but equally for the betterment of society.'

CSR provides an opportunity to the Companies to effectively align its values and strategy for the benefits of the society, by contributing to the social, economic and environmental development of the society at large.

In compliance with the requirements of Section 135 of the Act read with the applicable rules made thereunder the Company has a duly constituted CSR Committee which steers the CSR activities. The CSR Policy, formulated in accordance with the Act (as amended from time to time), guides the Company to serve the society.

The CSR policy may be accessed under the 'Policies and Procedures' section on the website of the Company at link <https://bhansaliabs.com/investor/corporate-social-responsibility-csr-policy/>

During the financial year under review, the Company has undertaken projects/activities pertaining to (a) Education/Skill Development Programme, (b) Promotion of Art and Culture, Heritage, and (c) Health & Safety.

The Company's CSR spending for FY 2019-20 was ₹ 191.52 lakh as against the prescribed amount of ₹ 191.50 lakh, the details of CSR Activities are mentioned in the CSR Report and attached as **Annexure 2**.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 the extracts of Annual Report in Form MGT-9 is attached as **Annexure 3** and forms part of this Annual Report.

CORPORATE GOVERNANCE

The Company believes in adopting the best corporate governance practices. The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations and the certificate from a Practicing Company Secretary regarding compliance with Corporate Governance norms, forms part of this Annual Report and is attached as **Annexure 4** and **Annexure 4A**, respectively.

CERTIFICATIONS AND DECLARATIONS

The certificate issued by the Managing Director and Executive Director cum CFO of the Company with regards to certification on Audited Financial Statements of the Company for financial year 2019-20 in accordance with the Provisions of Regulation 17(8) of Listing Regulations is attached as **Annexure 4B** and forms part of this Annual Report.

The declaration by Managing Director of the Company relating to compliance of Code of Conduct by all Board Members and Senior Management Personnel of the Company, in accordance with the provisions of Regulation 17(5) of Listing Regulations is attached as **Annexure 4C** and forms part of this Annual Report.

MEETINGS OF THE BOARD

During the Financial Year 2019-20, 4 (Four) meetings of the Board of Directors were held. The details of the said meetings are mentioned in the report on Corporate Governance forming part of this Annual Report.

WHISTLE BLOWER/VIGIL MECHANISM POLICY

The Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Board of Directors have implemented a vigil mechanism through the adoption of Whistle Blower/Vigil Mechanism Policy. The details of the same are mentioned in the Corporate Governance Report forming part of this Annual Report.

RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Act read with Regulation 17 (9)(b) of the Listing Regulations, the Company has in place a robust risk management framework which identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. It also provides control measures for risk and future action plans. The policy may be accessed under the 'Policies and Procedures' section on the website of the Company at the web link <https://bhansaliabs.com/investor/risk-management-policy/>

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

In terms of Section 188 of the Act, read with rules framed thereunder and as per Regulation 23 of the Listing Regulations, the Company has formulated the policy for Related Party Transactions. The policy may be accessed under the 'Policies and Procedures' section on the website of the Company at the web link given below:
<https://bhansaliabs.com/investor/policies-and-procedures/policy-related-to-rpts/>

During the financial year under review, there were no transactions entered into by the Company with any related party falling within the purview of Section 188 of the Act.

All Related Party Transactions as required under Ind AS 24 – Related Party Disclosures are reported in Note 39 of Notes to Accounts of the Standalone financial statements of the Company.



DIRECTORS

❖ Appointment / Re-appointment / Retiring by Rotation

The Members of the Company had on 9th March, 2020 through postal ballot, approved the re-appointment of Ms. Jasmine F. Batliwalla (DIN: 00340273) as the Non-Executive Independent Director of the Company for a second consecutive term of five years i.e. from 30th March, 2020 to 29th March, 2025.

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Jayesh B. Bhansali, Executive Director cum CFO (DIN: 01062853) retires by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment.

Mr. Jaivardhan (DIN: 08750324) was appointed as an Additional Whole-Time Director by the Board of Directors of the Company at its meeting held on 16th June, 2020. As an Additional Director, he holds office up to the date of the ensuing AGM of the Company. Accordingly, Mr. Jaivardhan is proposed to be appointed as Whole-Time Director liable to retire by rotation at the ensuing AGM.

The above proposals form part of the Notice of the 36th Annual General Meeting and the relevant resolutions are recommended for the members' approval therein.

❖ Performance evaluation of the Board

In accordance with the provisions of the Act and Listing Regulations, the Company has formulated the criteria for performance evaluation of all the Directors including Independent Directors, the Board and its Committees and the Chairman, details of which are mentioned in the Corporate Governance Report forming part of this Annual Report.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on the date of this Report are:

Mr. B. M. Bhansali, Managing Director;
Mr. Jayesh B. Bhansali, Executive Director cum CFO;
Mr. Jaivardhan, Additional Whole-Time Director; and
Mr. Ashwin M. Patel – Company Secretary & GM (Legal)

COMMITTEES OF THE BOARD OF DIRECTORS

The details pertaining to the Committees of Board of Directors of the Company viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee have been stated in the Corporate Governance Report forming part of this Annual Report.

AUDITORS

Statutory Auditors

M/s. Azad Jain & Co., Chartered Accountants, Mumbai (FRN-006251C), were appointed as Statutory Auditors of the Company at the 33rd AGM held on 15th July, 2017 to hold office up to the conclusion of 38th AGM on the remuneration to be determined by the Board of Directors.

Further, Ministry of Corporate Affairs vide notification dated 7th May, 2018, dispensed with the requirement for ratification of appointment of Statutory Auditor by Members at every Annual General Meeting. Accordingly, no such item has been considered in the 36th AGM Notice.

The Report given by the Statutory Auditor on the financial statements of the Company forms part of this Annual Report. There is no qualification, reservation or adverse remark made by the Auditor in their report.

Secretarial Auditors

M/s Rathi & Associates, Practicing Company Secretaries, (FRN-P1988MH011900), were appointed as the Secretarial Auditor by the Board to conduct the secretarial audit of the Company for financial year 2019-20.

In accordance with Section 204(1) of the Act, the Secretarial Audit Report for the financial year ended 31st March, 2020 is annexed as **Annexure 5** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Board of Directors, on recommendation of the Audit Committee, had appointed M/s. Joshi Apte and Associates, Cost Accountants, Pune (FRN-000240), as Cost Auditors of the Company, for the financial year 2020-21, for conducting the audit of the cost records maintained by the Company for the products as mandated by the Central Government at a remuneration as mentioned in the Notice convening the 36th AGM of the Company.

The Company has received a certificate from M/s. Joshi Apte and Associates, that they are eligible to be appointed as Cost Auditors under Section 141 of the Act and Rules framed thereunder.

A resolution seeking members' ratification for the remuneration payable to the Cost Auditors for the financial year 2020-21 forms part of the Notice of the 36th AGM of the Company.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Adequate Internal Financial Control systems, commensurate with the nature of the Company's business, size and complexity of its operations, are in place and have been operating satisfactorily and effectively. During the financial year under review, no material weaknesses in the design or operation of Internal Financial Control system was reported.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material order(s) were passed by the regulators/courts which would impact the going concern status of the Company and its future operation during the financial year under review.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT.

There have been no material changes, which have occurred between the end of Financial Year till the date of this report, affecting the financial position of the Company.

COMPLIANCE OF SECRETARIAL STANDARDS

During the financial year under review, the Company has complied with all the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

HUMAN RESOURCE DEVELOPMENT

The Company believes in strategic alignment of Human Resources to its business priorities and corporate objectives. The Company undertakes various staff welfare measures / activities to strengthen unity, breaking the monotony and bringing the peer groups together for collaborative decision-making.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has in place a Policy on Prevention of Sexual Harassment (PoSH) of women at workplace. Further, the Company has also formed an Internal Complaints Committee to redress the complaints regarding sexual harassment. During the financial year under review, no complaint regarding Sexual Harassment has been reported and the same has been submitted to the concerned authority i.e. the District Officer, Mumbai Suburban vide annual report for the year 2019.

PARTICULARS OF EMPLOYEES

The Company has adopted a well-defined Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees.

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure 6** which forms part of this Report.

Statement containing Particulars of Employees pursuant to Section 197 of the Act and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of the Annual Report. As per the provisions of Section 136 of the Act, the reports and Financial Statements are being sent to shareholders of the Company and other stakeholders entitled thereto, excluding the Statement containing Particulars of Employees. Any shareholder interested in obtaining such details may write to the Company Secretary of the Company.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The particulars as required pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo etc. forms part of this Annual Report as **Annexure 7**.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the Listing Regulations as amended from time to time, the Annual Report of top 1000 listed entities, based on market capitalization, shall include the Business Responsibility Report ('BRR') describing the initiatives taken by the Company from an environmental, social and governance perspective.

With reference to the above mentioned criteria, the Company is covered under the ambit of aforesaid Regulation for the Financial Year 2019-20. Accordingly, the Company has published the BRR, which forms part of this Annual Report as **Annexure 8**.

Further, the Company has evolved a Business Responsibility Policy, encompassing the broad scope of the initiatives, to be undertaken, to best sub serve the interest of all the Stakeholders. The policy may be accessed under the 'Policies and Procedures' section on the website of the Company at the web link <https://bhansaliabs.com/business-responsibility-policy/>

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 of the Act, the Directors of the Company confirm that:

- (a) in the preparation of the annual accounts for the Financial year ended 31st March, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a 'going concern' basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT AND APPRECIATION

The Board takes this opportunity to thank the Company's Members, Customers, Vendors and all other Stakeholders for their continued support throughout the financial year. The Directors also thank the Stock Exchanges, Banks, Ministry of Corporate Affairs, State Governments, Government of India, and all other Government agencies and Regulatory authorities for the support extended by them and also look forward to their continued support in future.

The Board would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

For and on behalf of the Board of Directors

Place: Gurugram
Date : 16th June, 2020

M. C. Gupta
Chairman
(DIN: 01362556)

ANNEXURE 1 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report has been prepared in accordance with the provisions of Regulation 34(2) (e) of Listing Regulations, read with Schedule V(B) thereto, with a view to provide an analysis of the business and Financial Statement of the Company for FY 2019-20 and should be read in conjunction with the respective Financial Statements and notes thereon.

A. Economic Overview:

Global Economy

The global economy started Calendar Year (CY) 2020 on a good note with the US-China trade conflicts attainment phase one pact coupled with fading uncertainties around Brexit. However, the rapid spread of Covid-19, both in terms of number of cases and affected countries made World Health Organization (WHO) to declare it as “**pandemic**”, which brought economic activity to a near-standstill as countries imposed tight restrictions on movement to curb the spread of the virus.

Outlook

As the extent of impact of Covid-19 is yet to be ascertained, the baseline forecast envisions a 5.2 per cent contraction in global GDP in 2020 (using market exchange rate weights), the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Advanced economies are projected to shrink 7 per cent. This weakness will spill over to the outlook for Emerging Market and Developing Economies (EMDEs), who are forecast to contract by 2.5 per cent, as they cope with their own domestic outbreaks of the virus.

Indian Economy

The recent Economic Survey of the government outlined the blueprint to achieve the vision of making India a US\$ 5 Trillion economy by 2024-25. India's rank in the World's Bank 'Ease of Doing Business 2020' has consistently improved over the last three years and is currently at 63, amongst 190 countries, making it one of world's top 10 most improved countries. The Government's target of investing ₹ 111 trillion over 2020-2026 under the National Infrastructure Pipeline (NIP), will help in providing adequate and quality infrastructure across the Nation and boost the economic growth.

The Reserve Bank of India (RBI) has undertaken a number of measures to ensure sufficient liquidity in the system since the beginning of FY 2019-20.

For FY 2019-20, collection of net tax revenue stood at ₹ 16.49 Lakh Crore as against ₹ 14.84 Lakh Crore collected in FY 2018-19. The direct tax collection in FY 2019-20 was ₹ 11.7 Lakh Crore as against estimated ₹ 13.4 Lakh Crore in FY 2018-19. As per the Union Budget, for FY 2020-21, the gross direct tax collections are budgeted to increase by 12.7% as compared to 2.9% growth achieved in FY 2018-19. Capital expenditure for FY 2020-21 is pegged at ₹ 4.12 Lakh Crore as against ₹ 3.49 Lakh Crore incurred in FY 2019-20.

The increase in the manufacturing and consumption activity, supported by rate cuts during the fiscal could be seen in the Goods and Service Tax (GST) gross mopping up from ₹ 11.7 Lakh Crore in FY 2018-19 to ₹ 12.2 Lakh Crore in FY 2019-20. Further, the fiscal deficit, targeted at 3.5% in FY 2020-21 is unlikely to be achieved given the disruption in economy due to the Covid-19 pandemic.

Covid-19 impact in India

The Lockdown implemented by the Government to curb the spread of virus, is considered one of the largest lockdown in the history, affecting most businesses in various form i.e. supply disruption, steep fall in consumption, investments etc. Businesses might find it hard to service debt due to cash flow gaps, heightened risk aversion could lead to climbing borrowing costs, and bankruptcies and defaults resulting in financial crises will significantly affect the overall economy.



Slowdown... Delay in recovery

India had the worst economy in the last 42 years with GDP growth rate lowest in 6 years. (Source - Ministry of Statistics and Programme Implementation) India's GDP grew at 5 per cent in Q1 FY19-20 (8 per cent in Q1 FY 2018-19). In Q2 FY 2019-20, as consumption failed to revive and private investment remained stagnant, the GDP fell to 4.5 per cent. The economy grew at a slower pace of 4.7 per cent and 3.1 per cent during Q3 and Q4 FY 2019-20 respectively. The growth rate for FY 2019-20 stood at 4.2 per cent as against the projection of 7 – 7.5 per cent.

As per the World Bank's outlook, Indian economy is expected to contract 3.2% in the current fiscal year, a sharp downgrade from its April projection of 1.5% - 2.8% growth.

The prevailing conditions of the economy amid the Covid-19 pandemic and the several phases of lockdown that have followed to curb the spread of the virus, dashed the hope of early recovery on the Economy, resulting in wider consequence in current fiscal.

Outlook

As per the recent report of KPMG (April 2020) economic recovery in India is expected to be smoother and faster than other advanced economies, to emerge stronger out of the pandemic, whereas global rating company Moody's has forecasted India's GDP growth rate to bounce back to 6.6% in FY 2021-22. The government's clear focus in current fiscal is to revive demand and consumption to drive economic growth back to normalcy.

B. Industry Structure and Development:

The Company had entered into a 50 : 50 Joint Venture Agreement with Nippon A&L Inc., Japan (NAL) and incorporated a Joint Venture Company namely Bhansali Nippon A&L Private Limited which provides sales support and technical support to the Company.

The Company's business strategy continues to intensify its efforts to optimize its share of highly remunerative ABS market segment, especially from the automotive industry. This activity is fully backed by state-of-the-art R&D Centre at Abu Road. Technical expertise, as and when required, is deployed from NAL Japan, in the purview of the JV between the Company and NAL.

ABS is a performance polymer and its grades are specially developed for specific application required by the customers. This is precisely the reason that the Company has adopted the policy of focusing more on speciality grades which requires stupendous efforts in the beginning, but once developed, such efforts are highly rewarding not only in terms of price but also perpetual continuance of business with the customers due to the position acquired in the supply chain established by the customer. India is becoming a global manufacturing hub of two wheelers as well as four wheelers. As a result of which, international giants in the automotive field, viz. Suzuki, Hyundai, Honda, Toyota, Volkswagen, General Motors, Ford, Nissan, Renault, Fiat have established their respective manufacturing facility in India, with growing degree of indigenization of its components.

For components manufactured out of ABS, BEPL's presence is well registered with all such international giants but its share of their outsourcing requirement has to grow more since it is still dominated by overseas suppliers of ABS, mainly LG and Lotte. It is reiterated that it will not be difficult for BEPL to tilt preference by such customers in its favour, as the R&D Centre at Abu Road is fully operational. While concluding we would like to emphatically mention that market outlook for BEPL's products is bright, opportunities are immense, facilities and abilities are well in place and hence, the future seems to be brighter than the present.

Home Appliances Segment

The home appliance segment is one of the fastest-growing industries in the Indian market. Home appliances in India have been increasing at a steady pace, driven by both large appliances and small appliances.

The sector has a vast untapped market for appliances, like air conditioners (AC), washing machines, and fridges. The air conditioner has a penetration of 4% in India as compared to the global average of 30%.

The emerging economy and changing lifestyles of Indian consumers have been leading to growth in the number of working people, nuclear families, single-person households, and the migrating of the job population. Therefore, these developing households have an increasing need for accessibility and are looking for products that offer convenience and considerably reduce the time and effort spent on everyday chores.

The main growth drivers for this industry are increased affordability, focus on energy-efficient products, increasing digital penetration, and the rise in aspiration. The upcoming national policy for electronics (NPE) may bring about significant policy changes for the industry.

The burgeoning middle class in urban areas and aspirational demand from rural India, coupled with government reforms in the form of GST, are making the appliances industry look positively toward the next phase of exponential growth. This growth in India's consumer market demand is driven primarily by rising disposable incomes in Indian households and easy access to credit, which induces growing purchasing power.

Increasing the electrification of rural areas, along with the rising influence of social mass media and the popularity of online sales, is also likely to increase the demand. Two-thirds of the total revenue is generated from the urban inhabitants, and the rest is made from the rural inhabitants.

C. Opportunities & Threats:

Opportunities: So far as opportunities are concerned, there is immense scope for growth, considering the existing supply and demand mismatch, and knowing the fact that the consumption of ABS in India is voluminously larger as compared to the combined output of the domestic manufacturers.

Threats: The limitation arises out of deliberate decision on the part of domestic manufacturers to keep low inventories of its imported key raw materials which is more than 85% (i.e. Styrene and Acrylonitrile monomers) to limit the risk of price fluctuations which may result in huge loss, if the price of monomers drastically falls in the international market, which happen many a times due to unpredictable reasons, i.e. fluctuation in price of crude oil, benzene and ethylene.

D. Risk and Concern:

The ABS business in India is exposed to the risk of foreign exchange fluctuations, as the key raw materials viz. 'Styrene' and 'Acrylonitrile monomers' are import dependent, as there is no indigenous producer for these monomers. The only raw material which is indigenously available is Butadiene monomer, which constitutes 15 per cent (weight wise) of the total raw material composition.

E. Segment/Product Wise Operational Performance:

The Company deals with single business segment viz. ABS and SAN polymers along with trading in styrene. The gross sales of goods manufactured and traded by the Company amounted to ₹ 1,29,530.37 lakh as against ₹ 1,44,391.19 lakh during last fiscal, a decline of around 10%. The Operational Revenue (net) for FY20 stood at ₹ 1,10,433.02 lakh as compared to ₹ 1,22,477.99 lakh for FY19, a decrease of around 9.83%.

The EBIDTA for FY 2019-20 stood at ₹ 9224.14 lakh as against ₹ 8592.09 lakh for the previous fiscal, a growth of around 7.3%. The PBT was ₹ 8,261.14 lakh as against ₹ 7,736.79 lakh for previous financial year, an increase of 6.77%. After considering the provision for tax of ₹ 1,578.68 lakh (previous year ₹ 3,084.03 lakh), the profit from continuing operations jumped from ₹ 4,677.14 lakh for FY19 to ₹ 6,682.46 lakh in FY20, registering a growth of 43.62%. The total Comprehensive Income for FY19-20 amounted to ₹ 6730.13 lakh as compared to ₹ 4,677.14 lakh in FY18-19, a growth of around 43.9%.

The Key Financial ratios as per Schedule V of Listing Regulations, have been disclosed in the Board's Report, under the head 'Financial Highlights'.

**F. Internal Control System and its adequacy:**

The Company has an effective internal control system considering the size of its operations. It maintains its accounting records on SAP, a renowned software. The financial transactions are properly documented in accordance with the policies & procedures, as set out by the management from time to time and are properly approved and authorized, as per the approval matrix and reported to the management in a prescribed manner.

The Company has appropriate and adequate insurance cover for its immovable and movable assets. Both, the insurance cover and the assets are closely and consistently monitored by the management from time to time.

The Report on Internal Audit, carried by an independent Internal Auditor is placed before the management on quarterly basis, and requisite corrective actions, if any, are being taken. Observations of the auditors are properly reviewed and appropriate follow-up action(s) are taken by the concerned department(s) and reported to the management, who in turn, also reviews the sufficiency and effectiveness of the internal control system and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's internal policy and management practices.

G. Material Development in Human Resources/Industrial Relations Front, including the number of people employed:

The Company firmly believes that an able, disciplined, motivated, trained and skilled manpower is the key for sustaining growth of an organization. The Company organizes and provides requisite training to its employees from time to time. Periodical appraisal and rewarding systems are in place. Industrial Relations at both the plants i.e. Abu Road, Rajasthan and Satnoor, Madhya Pradesh, as well as inter-se relationship between employer and employee at the head office at Mumbai have been cordial and conducive during the year. The Company believes in "*Right Person for Right Job*" and takes appropriate steps towards the same.

As on 31st March, 2020, the permanent employee strength of the Company was 468.

For and on behalf of the Board

M. C. Gupta

Chairman

(DIN: 01362556)

Place: Gurugram

Date : 16th June, 2020

ANNEXURE 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. With a strong belief that, we exist not only for doing good business, but equally for the betterment of the society. The Company has implemented its CSR policy / charter to focus on the following areas *inter-alia*:

- ❖ Happy Childhood;
- ❖ Health;
- ❖ Education;
- ❖ Environmental Sustainability; and
- ❖ Promoting Sports, Art and Culture etc.

2. The Composition of the CSR Committee:

As on the date of this report, the constitution of the CSR Committee is as follows:

- ❖ Mr. M.C. Gupta, Non-Executive Independent Director – Chairman
- ❖ Mr. B. M. Bhansali – Managing Director - Member
- ❖ Mr. Jayesh B. Bhansali – Executive Director cum CFO - Member

3. Average net profit of the Company for last three financial years:

₹ 9,575.23 lakh

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

As per the provisions of Section 135 of the Companies Act, 2013, read with the rules framed thereunder, the amount to be spent by the Company on CSR activities shall be at least 2% of the average net profits of the Company for the preceding three financial years, which amounts to ₹ 191.50 lakh.

5. Details of CSR spent during the financial year:

- a. The total amount to be spent for the financial year was ₹ 191.50 lakh against this, the Company's CSR spending during this financial year was ₹ 191.52 lakh. Accordingly, the Company spent over and above the approved budget.
- b. Manner in which the amount was spent during the financial year is detailed below:

(₹ in lakh)

Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes a. Local area or Other b. Specify the State and District where projects of Programmes was undertaken	Projects or Programme wise budgeted amount	Amount spent on Projects or Programmes Sub-head a. Direct expenditure on Project or Programme; b. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Educational / skill development programme	Education	Distribution of School Bags / Stationery items to under privileged students of Government School at Abu Road, Rajasthan.	3.25	3.25	3.25	Direct
			Supporting the educational needs of children of Adarsh Vidya Mandir (through Adarsh Shikha Samiti).	50.00	50.00	50.00	Implementing Agency



Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes a. Local area or Other b. Specify the State and District where projects of Programmes was undertaken	Projects or Programme wise budgeted amount	Amount spent on Projects or Programmes Sub-head a. Direct expenditure on Project or Programme; b. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			Supported the educational needs of children of Shri Mahavira Jaina Vidyalaya.	1.08	1.08	1.08	Implementing Agency
			Supported the educational needs of children of Veerayatan School (through Veerayatan Trust).	10.00	10.00	10.00	Implementing Agency
			Sponsorship Given	1.25	1.25	1.25	Direct
2.	Promotion of Art and Culture, Heritage	Art and Culture	Paid to various Trusts / associations towards promotion of Art, Culture and heritage	124.57	124.59	124.59	Implementing Agency
3.	Blood Donation Camp	Health & Safety	Arranging Blood Donation Camp	0.35	0.35	0.35	Direct
	Contribution towards purchase of Ambulance		Contribution to Boregaon Industries Association for purchasing Ambulance	1.00	1.00	1.00	Implementing Agency
Total				191.50	191.52	191.52	

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, as the Company has spent over and above the prescribed amount on CSR Activities.

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

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

Note:

It is pertinent to note that as India and the rest of the World was fighting against the Corona virus (Covid-19) which has affected 200+ Countries across the globe, the Company, in order to give back to the Society and supporting the nation in the time of distress, has contributed towards the social cause by donating ₹ 2.51 Crores (i.e. ₹ 1 Crore in PM CARES Fund; ₹ 1 Crore in Rajasthan CM Relief Fund and ₹ 51 Lakh in Madhya Pradesh CM Relief Fund).

Further, the Company has extended help and support to the deaf animals (Cattle), under-privileged section of the Society in Abu Road and Jhalore District by contributing ₹ 19.00 lakh in various Gaushalas, ₹ 8.00 lakh for providing food to the under-privileged respectively and contributed ₹ 12.00 lakh to Sirahi Municipal Hospital for procuring testing Machine(s).

For Bansali Engineering Polymers Limited

Place: Gurugram/Mumbai

Date : 16th June, 2020

M. C. Gupta

Chairman, CSR Committee
(DIN:01362556)

B. M. Bhansali

Managing Director
(DIN:00102930)

**ANNEXURE 3
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on Financial Year ended 31st March, 2020.

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

1. REGISTRATION AND OTHER DETAILS:

CIN	L27100MH1984PLC032637
Registration Date	9 th April, 1984
Name of the Company	Bhansali Engineering Polymers Limited
Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
Address of the Registered office and contact details	401, 4 th Floor, Peninsula Heights, C.D. Barfiwala Road, Andheri (West), Mumbai - 400 058, Maharashtra, India. Website: www.bhansaliabs.com Email-ID: investors@bhansaliabs.com Tel.: 022 - 2621 6060 • Fax: 022 - 2621 6077
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. Email-ID: rnt.helpdesk@linkintime.co.in Tel.: 022 - 4918 6270/6000 • Fax: 022 - 4918 6060

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company are as under:

Sr. No.	Name and descriptions of main Products/Services	NIC Code of the product/service	% to total turnover of the Company
1	Acrylonitrile Butadiene Styrene (ABS) Resins	390330	71.01
2	Other than plastic granules (ABS/SAN)	390320	28.99

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name & Address of the Company	Bhansali Nippon A & L Private Limited 401, 4 th Floor, Peninsula Heights, C. D. Barfiwala Road, Andheri (West), Mumbai - 400 058, Maharashtra, India
CIN	U93000MH2013PTC300012
Holding/Subsidiary/Associate	Associate Company (Joint Venture Company)
% of shares held	50.00
Applicable Section	Section 2(6) of the Companies Act, 2013



4. SHAREHOLDING PATTERN (Equity Share Capital breakup as a percentage of total equity)

i. Category-wise Share Holding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year (As on 1 st April, 2019)				Shareholding at the end of the year (As on 31 st March, 2020)				% 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	37591765	0	37591765	22.6585	39993765	0	39993765	24.1063	1.4479
(b)	Central Government/State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	53658235	0	53658235	32.3426	53658235	0	53658235	32.3426	0.0000
	Sub Total (A)(1)	91250000	0	91250000	55.0011	93652000	0	93652000	56.4490	1.4479
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	91250000	0	91250000	55.0011	93652000	0	93652000	56.4490	1.4479
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds/UTI	2422493	0	2422493	1.4602	6500	0	6500	0.0039	(1.4563)
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	4556486	0	4556486	2.7464	1831484	0	1831484	1.1039	(1.6425)
(f)	Financial Institutions/Banks	385603	7500	393103	0.2369	258505	7500	266005	0.1603	(0.0766)
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (B)(1)	7364582	7500	7372082	4.4435	2096489	7500	2103989	1.2682	(3.1753)

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year (As on 1 st April, 2019)				Shareholding at the end of the year (As on 31 st March, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	34849581	3950725	38800306	23.3870	36291625	3556525	39848150	24.0186	0.6316
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	14042196	0	14042196	8.4640	15579528	0	15579528	9.3906	0.9266
(b)	NBFCs registered with RBI	7700	0	7700	0.0046	1000	0	1000	0.0006	(0.0040)
(c)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	IEPF	2524186	0	2524186	1.5215	2678486	0	2678486	1.6145	0.0930
	Trusts	1600	0	1600	0.0010	1000	0	1000	0.0006	(0.0004)
	Hindu Undivided Family	4232480	0	4232480	2.5511	4614104	0	4614104	2.7812	0.2301
	Non Resident Indians (Non Repat)	336422	0	336422	0.2028	399598	0	399598	0.2409	0.0381
	Other Directors	30500	0	30500	0.0184	30500	0	30500	0.0184	0.0000
	Non Resident Indians (Repat)	1314018	0	1314018	0.7920	1307726	0	1307726	0.7882	(0.0038)
	Clearing Member	1051111	0	1051111	0.6336	329356	0	329356	0.1985	(0.4351)
	Market Maker	5435	0	5435	0.0033	500	0	500	0.0003	(0.0030)
	Bodies Corporate	4901604	36000	4937604	2.9762	5324703	35000	5359703	3.2306	0.2544
	Sub Total (B)(3)	63296833	3986725	67283558	40.5553	66558126	3591525	70149651	42.2829	1.7276
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	70661415	3994225	74655640	44.9989	68654615	3599025	72253640	43.5510	(1.4479)
	Total (A)+(B)	161911415	3994225	165905640	100.0000	162306615	3599025	165905640	100.0000	0.0000
(C)	Non Promoter - Non Public									
	(C1) Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	161911415	3994225	165905640	100.0000	162306615	3599025	165905640	100.0000	0.0000



ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2019)			Shareholding at the end of the year (As on 31 st March, 2020)			% change in share holding during the year
		No. of shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	B. M. Bhansali	16384887	9.8760	0.0000	16386887	9.8772	0.0000	0.0012
2	Bhansali International Pvt. Ltd.	16105183	9.7074	0.0000	16105183	9.7074	0.0000	0.0000
3	Sheraton Properties and Finance Ltd.	11734000	7.0727	0.0000	11734000	7.0727	0.0000	0.0000
4	Jayesh B. Bhansali	11561945	6.9690	0.0000	11561945	6.9690	0.0000	0.0000
5	Bentley Commercial Enterprises Ltd.	8883043	5.3543	0.0000	8883043	5.3543	0.0000	0.0000
6	Speedage Commercials Ltd.	8384009	5.0535	0.0000	8384009	5.0535	0.0000	0.0000
7	Bhansali Industrial Investment & Finance Pvt. Ltd.	4313000	2.5997	0.0000	4313000	2.5997	0.0000	0.0000
8	Babulal M Bhansali (HUF)	4199000	2.5310	0.0000	4199000	2.5310	0.0000	0.0000
9	Meenakshi Bhansali	2977677	1.7948	0.0000	4127677	2.4880	0.0000	0.6932
10	Dhudidevi B Bhansali	2468256	1.4877	0.0000	3718256	2.2412	0.0000	0.7535
11	Bhansali Innovative Finance Pvt. Ltd.	2341000	1.4110	0.0000	2341000	1.4110	0.0000	0.0000
12	Bhansali Engineering Industries Pvt. Ltd.	1898000	1.1440	0.0000	1898000	1.1440	0.0000	0.0000
	Total	91250000	55.0011	0.000	93652000	56.4490	0.0000	1.4479

iii. Change in Promoters' Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (As on 1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	B. M. Bhansali	16384887	9.8760	–	–	16384887	9.8760
	Transmission	–	–	29 th June 2019	2000	16386887	9.8772
	At the end of the year	–	–	–	–	16386887	9.8772
2	Bhansali International Pvt. Ltd.	16105183	9.7074	–	–	16105183	9.7074
	At the end of the year	–	–	–	–	16105183	9.7074
3	Sheraton Properties and Finance Ltd.	11734000	7.0727	–	–	11734000	7.0727
	At the end of the year	–	–	–	–	11734000	7.0727
4	Jayesh B Bhansali	11561945	6.969	–	–	11561945	6.969
	At the end of the year	–	–	–	–	11561945	6.969

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (As on 1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
5	Bentley Commercial Enterprises Ltd.	8883043	5.3543	–	–	8883043	5.3543
	At the end of the year	–	–	–	–	8883043	5.3543
6	Speedage Commercials Ltd.	8384009	5.0535	–	–	8384009	5.0535
	At the end of the year	–	–	–	–	8384009	5.0535
7	Bhansali Industrial Investment & Finance Pvt. Ltd.	4313000	2.5997	–	–	4313000	2.5997
	At the end of the year	–	–	–	–	4313000	2.5997
8	Babulal M Bhansali (HUF)	4199000	2.531	–	–	4199000	2.5310
	At the end of the year	–	–	–	–	4199000	2.5310
9	Meenakshi Bhansali	2977677	1.7948	–	–	2977677	1.7948
	Market Buy	–	–	20 th March 2020	400000	3377677	2.0359
	Market Buy	–	–	27 th March 2020	750000	4127677	2.4880
	At the end of the year	–	–	–	–	4127677	2.4880
10	Dhudidevi B Bhansali	2468256	1.4877	–	–	2468256	1.4877
	Market Buy	–	–	20 th March 2020	925723	3393979	2.0457
	Market Buy	–	–	27 th March 2020	224277	3618256	2.1809
	Market Buy	–	–	31 st March 2020	100000	3718256	2.2412
	At the end of the year	–	–	–	–	3718256	2.2412
11	Bhansali Innovative Finance Pvt. Ltd.	2341000	1.411	–	–	2341000	1.4110
	At the end of the year	–	–	–	–	2341000	1.4110
12	Bhansali Engineering Industries Pvt. Ltd.	1898000	1.144	–	–	1898000	1.1440
	At the end of the year	–	–	–	–	1898000	1.1440

iv. Shareholding Pattern of top ten Shareholders as at 1st April, 2019 & 31st March, 2020 (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (As on 1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	2524386	1.5216	–	–	2524386	1.5216
	Transfer	–	–	5 th April 2019	-200	2524186	1.5215
	Transfer	–	–	28 th February 2020	152100	2676286	1.6131
	Transfer	–	–	6 th March 2020	2200	2678486	1.6145
	At the end of the year	–	–	–	–	2678686	1.6146
2	Neetu B Bhansali	2000000	1.2055	–	–	2000000	1.2055
	At the end of the year	–	–	–	–	2000000	1.2055



Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (As on 1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
3	Bhavna B Bhansali	2000000	1.2055	–	–	2000000	1.2055
	At the end of the year			–	–	2000000	1.2055
4	Abhideep Global Finance Pvt. Ltd.	10000	0.006	–	–	10000	0.006
	Market Buy	–	–	10 th May 2019	682146	692146	0.4172
	Market Buy	–	–	17 th May 2019	158522	850668	0.5127
	Market Buy	–	–	24 th May 2019	98000	948668	0.5718
	Market Buy	–	–	13 th December 2019	10000	958668	0.5778
	Market Buy	–	–	20 th December 2019	14497	973165	0.5866
	At the end of the year	–	–	–	–	973165	0.5866
5	Mona Jain	227394	0.1371	–	–	227394	0.1371
	Market Buy	–	–	10 th May 2019	122628	350022	0.211
	Market Buy	–	–	17 th May 2019	127636	477658	0.2879
	Market Buy	–	–	24 th May 2019	124736	602394	0.3631
	Market Buy	–	–	31 st May 2019	17000	619394	0.3733
	Market Buy	–	–	7 th June 2019	100000	719394	0.4336
	Market Buy	–	–	12 th July 2019	17005	736399	0.4439
	Market Buy	–	–	30 th Aug 2019	197288	933687	0.5628
	Market Buy	–	–	20 th September 2019	31	933718	0.5628
	At the end of the year	–	–	–	–	933718	0.5628
6	Juhi Jain	247831	0.1494	–	–	247831	0.1494
	Market Buy	–	–	3 rd May 2019	100000	347831	0.2097
	Market Buy	–	–	10 th May 2019	200000	547831	0.3302
	Market Buy	–	–	17 th May 2019	10429	558260	0.3365
	Market Buy	–	–	24 th May 2019	50500	608760	0.3669
	Market Buy	–	–	14 th June 2019	67000	675760	0.4073
	Market Buy	–	–	21 st June 2019	25000	700760	0.4224
	Market Buy	–	–	12 th July 2019	146349	847109	0.5106
	Market Buy	–	–	19 th July 2019	4556	851665	0.5133
	Market Buy	–	–	30 th August 2019	75721	927386	0.559
	At the end of the year	–	–	–	–	927386	0.559
7	Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc. (DFAIDG)	871714	0.5254	–	–	871714	0.5254
	Market Sell	–	–	10 th January 2020	-30352	841362	0.5071
	Market Sell	–	–	6 th March 2020	-13149	828213	0.4992
	Market Sell	–	–	27 th March 2020	-38218	789995	0.4762
	Market Sell	–	–	31 st March 2020	-27051	762944	0.4599
	At the end of the year	–	–	–	–	762944	0.4599

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year (As on 1 st April, 2019)		Transactions during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
8	Government Of Singapore - E	1055284	0.6361	-	-	1055284	0.6361
	Market Sell	-	-	23 rd August 2019	-20640	1034644	0.6236
	Market Sell	-	-	13 th March 2020	-341513	693131	0.4178
	Market Sell	-	-	31 st March 2020	-79412	613719	0.3699
	At the end of the year	-	-	-	-	613719	0.3699
9	Mayyank Jain	540639	0.3259	-	-	540639	0.3259
	At the end of the year	-	-	-	-	540639	0.3259
10	Subhash Chand Barjatya	525000	0.3164	-	-	525000	0.3164
	At the end of the year	-	-	-	-	525000	0.3164

5. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Sr. No.	Name of the Directors including Non-Executive Directors (NED)/KMPs	Period	Shareholding at the beginning of the year [As on April 1, 2019]		Cumulative Shareholding at the end of the year [As on March 31, 2020]	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. M. C. Gupta, Chairman, (Non-Executive Independent Director)	At the beginning of the year	0	0	-	-
		Increase/Decrease in shareholding during the year	0	0	-	-
		At the end of the year	-	-	0	0
2.	Dr. B. S. Bhesania (Non-Executive Independent Director)	At the beginning of the year	500	0.0003	-	-
		Increase/Decrease in shareholding during the year	0	0	-	-
		At the end of the year	-	-	500	0.0003
3.	Mr. Dilip Kumar (Non-Executive Independent Director)	At the beginning of the year	0	0	-	-
		Increase/Decrease in shareholding during the year	0	0	-	-
		At the end of the year	-	-	0	0
4.	Ms. Jasmine F. Batliwalla (Non-Executive Independent Director)	At the beginning of the year	0	0	-	-
		Increase/Decrease in shareholding during the year	0	0	-	-
		At the end of the year	-	-	0	0



Sr. No.	Name of the Directors including Non-Executive Directors (NED)/KMPs	Period	Shareholding at the beginning of the year [As on April 1, 2019]		Cumulative Shareholding at the end of the year [As on March 31, 2020]	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5.	Mr. B. M. Bhansali (Managing Director)	At the beginning of the year	16384887	9.8760	-	-
		Increase/Decrease in shareholding during the year	2000	0.0012	-	-
		At the end of the year	-	-	16386887	9.8772
6.	Mr. Jayesh B. Bhansali (Executive Director cum CFO)	At the beginning of the year	11561945	6.9690	-	-
		Increase/Decrease in shareholding during the year	0	0	-	-
		At the end of the year	-	-	11561945	6.9690
7.	Mr. Ashwin M. Patel Company Secretary	At the beginning of the year	0	0	-	-
		Increase/Decrease in shareholding during the year	4500	0.0027	-	-
		At the end of the year	-	-	4500	0.0027

6. INDEBTEDNESS

Indebtedness of the Company including interest, outstanding/accrued but not due for payment as on 31st March, 2020.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	0	0	0	0
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the Financial Year				
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
iv. Principal Amount	0	0	0	0
v. Interest due but not paid	0	0	0	0
vi. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

7. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)
A. Remuneration to Managing Director and Whole-time Director.

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. B. M. Bhansali (Managing Director)	Mr. Jayesh B. Bhansali (Executive Director cum CFO)	
1.	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	60.00	55.50	115.50
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00
	c. Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	*Commission			
	– as % of profit	0.00	0.00	0.00
	– others, specify	0.00	0.00	0.00
5.	Others, please specify			
	Superannuation	0.00	4.50	4.50
	Total (A)	60.00	60.00	120.00
	Ceiling as per the Act for determining the remuneration of Managing Director and Whole time Director (10% of the Net Profit calculated in accordance with Section 198 of the Companies Act, 2013)			756.02

***Note:** The Managing Director and Executive Director cum CFO have decided to forgo the Remuneration earned in the form of Commission, calculated on the profits of the Company for the financial year 2019-20.

B. Remuneration (sitting fee) to other Directors during FY 2019-20

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Mr. M. C. Gupta	Dr. B. S. Bhesania	Mr. Dilip Kumar	Ms. Jasmine F. Batliwalla	Total Amount
1.	Independent Directors					
	Sitting Fee for attending Board/Committee meetings	2.40	1.90	2.00	1.40	7.70
	Commission	0.00	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (1)	2.40	1.90	2.00	1.40	7.70
2.	Other Non-Executive Directors					
	Sitting Fee for attending Board/Committee meetings					
	Commission			NA		
	Others, please specify					
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	2.40	1.90	2.00	1.40	7.70
	Total Managerial Remuneration (A+B)					763.02
	Ceiling as per the Act (1% of the Net Profit calculated in accordance with Section 198 of the Companies Act, 2013)					75.60
	Overall Ceiling as per the Act (11% of the Net Profit calculated in accordance with Section 198 of the Companies Act, 2013)					831.62

**C. Remuneration to Key Managerial Personnel other than Managing Director and Whole-time Directors**

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Mr. Ashwin M. Patel (Company Secretary)
1	Gross salary	
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	46.50
	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00
	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0.00
2	Stock Option	0.00
3	Sweat Equity	0.00
4	Commission	
	– as % of profit	0.00
	– others, specify	0.00
5	Others, please specify	
	Superannuation	0.00
	Total	46.50

8. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	(RD/NCLT/COURT)	Appeal made, if any (give details)
Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
Other Officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

Place : Gurugram
Date : 16th June, 2020

M. C. Gupta
Chairman
(DIN: 01362556)

ANNEXURE 4
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Bhansali Engineering Polymers Limited ('BEPL') as a Company believes that, good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the high standards of Transparency, Business Ethics, Integrity, Fairness and Accountability.

The Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the continuously progressing governance demands. During the financial year under review, adequate monitoring systems were followed to safeguard against major risk and to ensure implementation of policies and procedures in order to fulfil the Company's social, legal and ethical responsibilities.

2. BOARD OF DIRECTORS:

• **Composition of the Board:**

The Company believes that an active, well informed and independent board is necessary to ensure the highest standards of Corporate Governance. The present composition of the Board has an optimum combination of personnel having the necessary knowledge and experience to direct the Company towards its business goals and at the same time, achieving high standards of Corporate Governance.

As on 31st March, 2020, the Board of Directors consisted of 6 (Six) Directors, out of which 4 (Four) are Non-Executive Independent Directors, including a Woman Director and 2 (Two) are Executive Directors. Subsequently, Mr. Jaivardhan was appointed as an Additional Whole-Time Director on 16th June, 2020.

At present the Board consists of 7 (Seven) Directors, out of which 4 (Four) are Non-Executive Independent Directors including a Woman Director and 3 (Three) are Executive Directors.

The composition of the Board of Directors of the Company is in accordance with Listing Regulations, as amended from time to time and the Act read with the applicable rules made thereunder as amended from time to time. The Chairman of the Board is a Non-Executive Independent Director.

Detailed profile of the Directors is also available on <https://bhansaliabs.com/about-us/directors/>.

• **Key Skills, Expertise and Competencies:**

The Company recognizes and embraces the importance of a diverse Board and is endowed with appropriate balance of skills, experience and diversity of perspectives, thereby ensuring effective Board governance. The Company is committed towards ensuring that the Directors being appointed on the Board have certain key skills, expertise and competencies, which shall help in effective functioning of the Company. The Board, in addition to having the basic skills and competencies, such as Leadership qualities and adequate financial knowledge, possesses the following key skills/ expertise/ competencies:

Name of the Director	DIN	Designation	Key skills/expertise/competencies
Mr. M. C. Gupta	01362556	Chairman, Non-Executive Independent Director	General Administration and Management
Mr. B. M. Bhansali	00102930	Managing Director	Business Administration and Management
Dr. B. S. Bhesania	00026222	Non-Executive Independent Director	Legal



Name of the Director	DIN	Designation	Key skills/expertise/competencies
Mr. Dilip Kumar	06882358	Non-Executive Independent Director	Accounting and Taxation
Ms. Jasmine F. Batliwalla	00340273	Non-Executive Independent Director	Legal, Compliance and Corporate Secretarial Management
Mr. Jayesh B. Bhansali	01062853	Executive Director cum CFO	Marketing, Finance and General Administration
Mr. Jaivardhan	08750324	Additional Whole-Time Director	Technology (Chemical) and Industrial Safety

The Board possesses the necessary skills, expertise and competencies as are required for the Company's business to function smoothly and to achieve significant growth in the industry that the Company is part of.

• **Disclosures, Memberships, Attendance & Other Directorships:**

The necessary disclosures regarding Directorships, Memberships and Chairmanships in various other Boards and Committees and their respective shareholding in other companies, have been made by all the Directors. None of the Directors on the Board is a Member of more than ten (10) Committees and/or acts as a Chairman of more than five (5) Committees across all Public Companies in which they are Directors.

Further, none of the Directors served as an Independent Director in more than seven (7) listed Companies and held Directorship in more than ten (10) public companies. Further, the Managing Director, Executive Director and Whole-Time Director of the Company are not serving as Independent Director on the Board of any other listed entity.

Details of Memberships and Attendance of each Director at the Board of Directors' Meetings held during the financial year under review and the last Annual General Meeting and the number of other Directorships including the names of listed entities in which they are a Director and Chairmanship/ Membership of Board Committees as on 31st March, 2020 are as follows:

Name of the Director	Nature of Directorship	Board Meetings		Attendance at the last AGM held on 28 th September, 2019	*No. of Directorships in other Companies (Excluding BEPL)	**Chairmanship(s) and Membership(s) of Board Committees in other Companies as on 31 st March, 2020 (Excluding BEPL)		Directorship in other Listed Entities	
		Held	Attended			Member	Chairman	Name of Listed Entities	Category of Directorship
Mr. M. C. Gupta (DIN 01362556)	Chairman, Non-Executive Independent Director	4	4	Yes	2	2	1	i. Vardhman Acrylics Limited	i. Non-Executive Independent Director
								ii. Lumax Industries Limited	ii. Non-Executive Independent Director
Dr. B. S. Bhesania (DIN 00026222)	Non-Executive Independent Director	4	3	Yes	–	–	–	–	–
Mr. Dilip Kumar (DIN 06882358)	Non-Executive Independent Director	4	4	Yes	1	–	–	–	–
Ms. Jasmine F. Batliwalla (DIN 00340273)	Non-Executive Independent Director	4	4	Yes	–	–	–	–	–

Name of the Director	Nature of Directorship	Board Meetings		Attendance at the last AGM held on 28 th September, 2019	*No. of Directorships in other Companies (Excluding BEPL)	**Chairmanship(s) and Membership(s) of Board Committees in other Companies as on 31 st March, 2020 (Excluding BEPL)		Directorship in other Listed Entities	
		Held	Attended			Member	Chairman	Name of Listed Entities	Category of Directorship
Mr. B. M. Bhansali (DIN 00102930)	Promoter, Managing Director	4	4	Yes	8	–	–	i. Speedage Commercials Limited ii. Sheraton Properties and Finance Limited iii. Bentley Commercial Enterprises Limited	i. Non-Executive Non-Independent Director ii. Non-Executive Non-Independent Director iii. Non-Executive Non-Independent Director
Mr. Jayesh B. Bhansali (DIN 01062853)	Promoter, Executive Director cum CFO	4	4	Yes	8	6	–	i. Speedage Commercials Limited ii. Sheraton Properties and Finance Limited iii. Bentley Commercial Enterprises Limited	i. Non-Executive Non-Independent Director ii. Non-Executive Non-Independent Director iii. Non-Executive Non-Independent Director
#Mr. Jaivardhan (DIN: 08750324)	Additional Whole-Time Director	NA	NA	NA	–	–	–	–	–

Notes:

* This includes all Indian Companies, excluding Foreign Companies and Section 8 Companies.

** This includes Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.

❖ All the Non-Executive Directors are Independent Directors

❖ The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the respective limits prescribed under the Act and the Listing Regulations.

❖ Mr. B. M. Bhansali, Managing Director is the father of Mr. Jayesh B. Bhansali, Executive Director cum CFO. None of the other Directors of the Company have any other inter-se relationship amongst them.

❖ None of the Directors of the Company, except the Executive Directors have any pecuniary relationship with the Company, except to the extent of receipt of sitting fees for meetings of the Board/Committee(s) attended by them.

❖ Except Dr. B.S. Bhesania who holds 500 equity shares of the Company which were purchased by him from open market, none of the other Non- Executive Independent Directors hold any equity shares of the Company.

Mr. Jaivardhan (DIN: 08750324) was appointed as an Additional Whole-Time Director w.e.f. 16th June, 2020

- Board Meetings**

The Meetings of Board of Directors are scheduled well in advance and are held at least once in every quarter to *inter alia* review and consider the performance of the Company and approve the Financial Results. The Board also meets, as and when required, to consider other business matters.

The agenda of the business matters to be transacted at the Board Meeting along with detailed note(s) thereto are circulated to the Board members, as per the time limits specified under the applicable acts, rules and regulations. During the financial year under review, the information mentioned in Part A of Schedule II of the Listing Regulations,



was periodically placed before the Board for their consideration, to the extent applicable and deemed appropriate by the Management. This information was made available either as a part of the agenda papers or tabled at the Board Meeting(s) to enable them to discharge their responsibilities of closely monitoring the activities of the Company with sound and ethical business practices. The Directors had the option to participate in the meeting through video conferencing.

During the financial year 2019-20, 4 Board Meetings were held i.e. on 28th April, 2019, 3rd August, 2019, 19th October, 2019 and 27th January, 2020, respectively, and the gap between any two meetings did not exceed one hundred and twenty days.

- **Independent Directors:**

The term "Independent Directors" has been defined under Section 149 of the Act and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations. Based on the disclosures received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act, read with Regulation 16(1)(b) of the Listing Regulations, as amended from time to time and are independent of the management.

The Company has complied with the provisions with respect to the appointment and term of Independent Directors as per the Act and Listing Regulations. The Company has adopted a Code of Conduct for the Independent Directors which is a guide to professional conduct for Independent Directors, pursuant to Section 149(8) and Schedule IV of the Act which is available at the Company's website on <https://bhansaliabs.com/code-for-independent-directors/>

As per Para VII of Schedule IV of the Act, the Independent Directors of the Company are required to hold at least one meeting during the financial year, without the attendance of the Non-Independent Directors and members of the Management. However, for the financial year under review, the mandatory meeting of the Independent Directors could not be held due to the outbreak of Corona Virus Pandemic and subsequent nationwide lockdown imposed by the Government. The Ministry of Corporate Affairs (MCA) vide its circular dated 24th March, 2020, had also granted relaxation for holding of the mandatory meeting of the Independent Directors. However, the Independent Directors had internal communication and discussed the matters, which were mandatorily required to be taken up at the meeting of the Independent Directors.

- **Familiarization Programme for Independent Directors:**

The Company has a structured Familiarization framework for the Independent Directors. It takes due steps for familiarizing the Independent Directors with the Company's procedures and practices, by providing them the necessary documents, reports and internal policies. Through the Familiarization Programme, the Independent Directors are briefed about their roles, responsibilities, duties, and obligations as a member of the Board and matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

Further, the Company also schedules plant visits for them, from time to time in order to give them an overview of the way in which the Company operates and also its products and business models, etc.

The details of Familiarization Programme have been posted on the weblink given below:

<https://bhansaliabs.com/investor/miscellaneous/familiarisation-programme/>

3. COMMITTEES OF THE BOARD:

The Committees of the Board ("Committee") play an important role in the governance by focusing on specific areas and making informed decisions within the delegated authority. Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference or Policy, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information / consideration, if necessary.

The Board has constituted the following Committees:

1. Audit Committee:

In requirement with Regulation 18 of Listing Regulations and Section 177 of the Act, the Company has constituted an Audit Committee. The Audit Committee reviews, acts on and reports to the Board with respect to various auditing and accounting matters. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

Terms of Reference:

The matters falling within the ambit of the Audit Committee, are specified under Regulation 18 read with Part C of Schedule II of Listing Regulations and Section 177 of the Act, read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), which *inter alia* include:

a) Powers of Audit Committee:

The Audit Committee shall have the following powers:

- ❖ to investigate any activity within its terms of reference,
- ❖ to seek information from any employee,
- ❖ to obtain outside legal or other professional advice, and
- ❖ to secure attendance of outsiders with relevant expertise, if it considers necessary.

b) Role of the Audit Committee:

The role of the Audit Committee shall include the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;



- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

c) Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) 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).

Composition of the Audit Committee and attendance in meetings during the financial year:

The present composition of the Audit Committee is in accordance with the provisions of the Act and rules made thereunder and Listing Regulations. The Committee consists of 4 (Four) Directors of whom 3 (Three) are Independent Directors. The Chairperson of the Audit Committee is an Independent Director. Further, the Chairperson of the Committee attends the Annual General Meeting of the Company to answer shareholder's queries, if any.

All the Members of the Audit Committee are financially literate. Mr. Ashwin M. Patel, Company Secretary acts as the Secretary to the Audit Committee. The representatives of the Auditors are also invited to the meetings. The Committee invites any officer of the Company in the meeting, whenever required.

During the financial year under review, 4(Four) Meetings of the Audit Committee were held. The said meetings were held on 28th April, 2019, 3rd August, 2019, 19th October, 2019 and 27th January, 2020, respectively.

The composition of the Committee and the details of attendance of the Members at the Audit Committee Meetings are given below:

Sr. No.	Name of the Members	Category	No. of Meetings attended during the financial year
1.	Mr. M. C. Gupta	Chairman, Non-Executive Independent Director	4 of 4
2.	Dr. B. S. Bhesania	Member, Non-Executive Independent Director	3 of 4
3.	Mr. Dilip Kumar*	Member, Non-Executive Independent Director	2 of 4
4.	Mr. Jayesh B. Bhansali	Member, Executive Director cum CFO	4 of 4

* Mr. Dilip Kumar was appointed as Member of the Audit Committee w.e.f. 19th October, 2019.

2. Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee (**NRC**) in line with the provisions of Regulation 19 of Listing Regulations and Section 178 of the Act. All the members of the NRC are Independent Directors.

Terms of reference:

The Nomination and Remuneration Policy has been amended over the years to align it with the requirements of applicable laws, rules and regulations. The roles, powers and broad terms of reference of NRC covers the areas as provided under Regulation 19 read with Part D of Schedule II of Listing Regulations and Section 178 of the Act, which includes the following:

- (1) Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, suitable experience, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to remuneration of directors, Key Managerial Personnel and other employees. The Committee will review the composition of the Board periodically with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience, etc;
- (2) Recommend to the Board the appointment or reappointment of Directors.
- (3) Devise a policy on diversity of Board of Directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of directors their appointment and removal;
- (5) Carry out/oversee evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors. This shall include "formulation of criteria for evaluation of Independent Directors and the Board";
- (6) Recommend to Board the remuneration payable to the Directors and oversee the remuneration of Senior Management/Key Managerial Personnel of the Company being reasonable and competitive, considering the prevalent compensation packages so as to enable the Company to recruit and retain suitable talent/staff in such capacity motivating them for rendering their quality services to carry the business affairs of the Company at its optimum level;



- (7) Determine whether to extend or continue the term of appointment of the independent director(s), on the basis of performance evaluation report related to them;
- (8) Take due consideration of Financial position of Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration at the time of appointment or re-appointment;
- (9) Carry out any other functions referred by the Board from time to time and/or enforced by any statutory notification/ amendment or modification as may be applicable; and
- (10) Perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition of the NRC and attendance in meetings during the financial year:

The present composition of the NRC is in accordance with the provisions of the Act, and the rules made thereunder and Listing Regulations. It consists of 3 (Three) Non-Executive Independent Directors as on 31st March, 2020. The Chairperson of the NRC is an Independent Director. Mr. Ashwin M. Patel, Company Secretary acts as the Secretary to the NRC.

During the financial year 2019-20, 2(Two) meetings of the NRC were held i.e. on 19th October, 2019 and 27th January, 2020.

The composition of the Committee and the details of attendance of the Members at the NRC Meetings are given below:

Sr. No.	Name of the Members	Category	No. of Meeting attended during the year
1.	Dr. B. S. Bhesania	Chairman, Non-Executive Independent Director	1 of 2
2.	Mr. M. C. Gupta	Member, Non-Executive Independent Director	2 of 2
3.	Mr. Dilip Kumar	Member, Non-Executive Independent Director	2 of 2

Nomination and Remuneration Policy:

The Nomination and Remuneration policy has been formulated by the NRC considering various relevant parameters and the Board had adopted the policy for the functioning of the Committee on 7th February, 2015 which was amended from time to time as per the requirements of the law.

The Nomination and Remuneration policy of the Company is available on the website of the Company at <https://bhansaliabs.com/investor/policies-and-procedures/nomination-remuneration-policy/>

• Performance evaluation of the Board

In accordance with the provisions of the Act and Listing Regulations, your Company has formulated the criteria for performance evaluation of all the Directors including Independent Directors, the Board and its Committees and the Chairman.

The Independent Directors evaluate the performance of the Non-Independent Directors, Chairman of the Company (taking into account the views of the Executive Directors and the Non-Executive Directors) and assess the quality, quantity and timeliness of the flow of information between Company Management and the Board of Directors, which facilitates the Board in performing their duties in a reasonable & effective manner.

Similarly, the Board evaluates the performance of its Committees and the Independent Directors, excluding the Director being evaluated.

The criteria for performance evaluation include the following:

i. Individual Director's Performance Evaluation

Attendance at meetings and the extent of preparedness for meetings, participation and contribution, independence of judgment, knowledge updation, showing initiative, working relationships and guidance to senior management and board members, expressing views, understanding of the Company, industry, sector, geography, etc.

ii. Evaluation of the Board as a Whole

Proper mix of competencies, experience and qualification, adoption of proper, clear and transparent procedure to appoint directors, conducting meeting(s) on a regular basis, confirming agenda with all relevant information, providing entrepreneurial leadership to the Company, understanding of business, strategy and growth, responsibilities towards stakeholders, risk management and financial controls, discussions through healthy debate, quality of decision making, monitoring performance of management, reviewing the CSR initiatives, grievance redressal mechanism, analyses and examines governance and compliances related issues, maintaining high standards of integrity and probity, etc.

iii. Chairman's Performance Evaluation

Providing effective leadership, setting effective strategic agenda of the Board, encouraging active engagement by the Board members, providing guidance and motivation to the Managing Director, practical in taking discussions, establishing effective communication with all the stakeholders, etc.

iv. Performance Evaluation of Board Committees

Sufficiency in the scope for addressing the objectives, effectiveness in performing the key responsibilities, adequacy in composition and frequency of meetings, quality of relationship of the committee with the Board and the management, clarity of agenda being discussed, discussion on critical issues, clarity of role and responsibilities, etc.

Due to the existing Corona Virus pandemic and the resultant lockdown, the annual evaluation process for the financial year 2019-20 was carried out through oral assessment as well as collective feedback.

Details of Remuneration paid to Directors during Financial Year 2019-20:

(1) Non-Executive Directors (including Independent Directors):

The Independent Directors have been re-appointed for fixed tenure of five years from their respective date of appointment and are not liable to retire by rotation. Their appointments have been approved by the Members of the Company, through Postal Ballot.

The Independent Directors have no pecuniary relationship or transaction with the Company, except for payment of sitting fees, for attending the Board/Committee Meetings. Sitting fees payable for attending the Board Meeting is ₹ 30,000/- per meeting, whereas that for Committee Meeting is ₹ 20,000/- per meeting. Expenses, if any, incurred by the Directors for attending the Board/Committee meetings are reimbursed.

The aforesaid criteria of making payment to Non-Executive Directors is available on the website of the Company at https://bhansaliabs.com/download/Criteria-for-making-payment-to-Independent-Directors_2.pdf

The sitting fees paid to the Non-Executive Independent Directors during financial year 2019-20 is stated below:

Sr. No.	Name of the Director	Sitting fees paid for attending Board and Committee Meetings (including TDS) (Amount in ₹)
1.	Mr. M. C. Gupta	2,40,000
2.	Dr. B. S. Bhesania	1,90,000
3.	Mr. Dilip Kumar	2,00,000
4.	Ms. Jasmine F. Batliwalla	1,40,000*

* Inclusive of sitting fees for attending the Audit Committee meeting dated 19th October, 2019 by invitation.

**(2) Terms of appointment and remuneration of Executive Directors/Whole Time Directors:**

The terms and conditions of appointment of, and remuneration paid to Managing Director and Executive Director cum CFO are in accordance with the terms approved by the Members of the Company. The details of Managerial Remuneration paid to these Directors during financial year 2019-20 are as under:

Sr. No.	Components	Mr. B. M. Bhansali (Managing Director)	Mr. Jayesh B. Bhansali (Executive Director cum CFO)
1.	All elements of remuneration package such as salary, benefits, bonuses, PF, pension and Commission* etc.	Salary – ₹ 60.00 Lakh	Salary – ₹ 60.00 Lakh
2.	Details of fixed component and performance linked incentives along with the performance criteria	Mr. B. M. Bhansali is entitled for remuneration which together with his fixed salary of ₹ 60 Lakh per annum, shall not exceed 5% of the total net profit of the Company computed in accordance with the provisions of Section 198 of the Act for the respective financial year (being variable in nature), subject to the limits as specified under Schedule V to the Act.	Mr. Jayesh B. Bhansali is entitled for remuneration which together with his fixed salary of ₹ 60 Lakh per annum, shall not exceed 5% of the total net profit of the Company computed in accordance with the provisions of Section 198 of the Act for the respective financial year (being variable in nature), subject to the limits as specified under Schedule V to the Act.
3.	Service Contract	01/04/2019 to 31/03/2024	01/04/2018 to 31/03/2021
	Notice period	Nil	3 Months
	Severance fees	Nil	Nil
4.	Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	The Company does not have any Employee Stock Option Scheme.	The Company does not have any Employee Stock Option Scheme.

* The Managing Director and Executive Director have decided to forgo the Remuneration earned in the form of Commission, for the current fiscal, calculated on the profits of the Company.

3. Stakeholders' Relationship Committee:

The Company has constituted a Stakeholders' Relationship Committee ('SRC') in line with the provisions of Regulation 20 of Listing Regulations and Section 178 of the Act to specifically look into various aspects of interests of the shareholders.

Terms of Reference:

The role of the committee, shall *inter-alia* include the following:

- (1) Oversee the performance of the Company's Registrar and Share Transfer Agent;
- (2) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (3) Review of measures taken for effective exercise of voting rights by shareholders.

- (4) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (5) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- (6) Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/ amendment or modification as may be applicable.

Composition of the SRC and attendance in meetings during the financial year:

The present composition of the SRC is in accordance with the provisions of the Act, and the rules made thereunder and Listing Regulations. The Committee comprises of 3 (Three) directors, which includes 1 (One) Independent Director. The Chairperson of the SRC is an Independent Director and attends the Annual General Meeting to answer the queries raised by the Shareholders/ Security holders.

Mr. Ashwin M. Patel, Company Secretary is the Compliance Officer and acts as the Secretary to the SRC.

During the financial year 2019-20, 1 (One) meeting of the SRC was held on 27th January, 2020.

The composition of the Committee and the details of attendance of the Members at the SRC Meeting are given below:

Sr. No.	Name of the Members	Category	No. of Meetings attended during the financial year
1.	Dr. B. S. Bhesania	Chairman, Non-Executive Independent Director	1 of 1
2.	Mr. B. M. Bhansali	Member, Managing Director	1 of 1
3.	Mr. Jayesh B. Bhansali	Member, Executive Director cum CFO	1 of 1

Other details:

- (a) Details of investor complaints received and redressed during the financial year 2019-20 are as follows:

No. of complaints pending as on 1 st April, 2019	No. of complaints received during the financial year	No. of complaints attended during the financial year	No. of complaints pending as on 31 st March, 2020
08	77	85	00

4. Corporate Social Responsibility Committee:

The Corporate Social Responsibility ('CSR') Committee is constituted in line with the provisions of Section 135 of the Act.

The Corporate Social Responsibility Policy ('CSR Policy') was adopted by the Board of Directors for implementation of CSR objects of the Company on 27th September, 2014. The CSR Policy has been placed on Company's website at <https://bhansaliabs.com/investor/corporate-social-responsibility-csr-policy/>

Terms of Reference

The brief terms of reference of the Committee are as under:

- (1) Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- (2) Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- (3) Monitor the CSR projects undertaken by the Company from time to time; and,
- (4) Ensure effective implementation of aforesaid Corporate Social Responsibility Policy.

**Composition of the CSR Committee:**

As on 31st March, 2020, the Committee consisted of 3 (Three) members, of whom 2 (Two) are Executive Directors and 1 (One) Non- Executive Independent Director. The Chairman of the Committee is a Non-Executive Independent Director.

Mr. Ashwin M. Patel, Company Secretary acts as the Secretary to the CSR Committee.

During the financial year 2019-20, 1 (One) meeting of the CSR Committee was held on 18th March, 2020.

The composition of Committee and the details of attendance of the Members at the CSR Committee Meeting are given below:

Sr. No.	Name of the Members	Category	No. of Meetings attended during the financial year
1.	Mr. M. C. Gupta	Chairman, Non-Executive Independent Director	0 of 1
2.	Mr. B. M. Bhansali	Member, Managing Director	1 of 1
3.	Mr. Jayesh B. Bhansali	Member, Executive Director cum CFO	1 of 1

The details of CSR initiatives undertaken by the Company for the financial year 2019-20 are mentioned in the CSR Report which forms part of the Annual Report.

4. GENERAL BODY MEETINGS:**(1) Details of last three AGMs' and the summary of Special Resolutions passed therein are as under:**

AGM	Financial Year ended	Date & Time	Venue	Special Resolution Passed
35 th	31 st March, 2019	Saturday, 28 th September, 2019 at 11.30 am.	Walchand Hirachand Hall, 4 th Floor, Indian Merchant's Chamber, Veer Nariman Road, Churchgate, Mumbai – 400 020.	Alteration in the Capital Clause of Memorandum of Association
34 th	31 st March, 2018	Saturday, 29 th September, 2018 at 11.30 am.		No Special Resolution was passed
33 rd	31 st March, 2017	Saturday, 15 th July, 2017 at 12:30 pm		Borrowing Limits of Company to the extent of ₹ 1,000 Crore

(2) Details of Postal ballot and Special Resolution passed through Postal Ballot:

Mr. Himanshu S. Kamdar [FCS: 5171] partner of M/s. Rathi & Associates, Company Secretaries in whole-time practice was appointed as Scrutinizer by the Board to conduct the Postal Ballot process in a fair and transparent manner. The Scrutinizer submitted his report on the Postal Ballot result (physical and e-voting) which was declared on 9th March, 2020.

Description	Type of Resolution	No. of votes polled	No. of votes in favour	% of votes in favour on votes polled	No. of votes against	% of votes against on votes polled	No. of invalid votes
Re-appointment of Ms. Jasmine F. Batliwalla (DIN: 00340273) as Non-Executive Independent Director of the Company for a second consecutive term of 5 years w.e.f 30 th March, 2020	Special	9,63,71,299	9,53,17,711	98.9067	10,53,588	1.0933	2,507

Currently, no special resolution is proposed to be conducted through Postal Ballot. Further, Postal Ballot whenever conducted by the Company will be carried out in compliance with the provisions of the Act, read with rules made thereunder and Listing Regulations, as amended from time to time.

(3) Procedure for Postal Ballot

In compliance with Section 108, 110 and other applicable provisions of the Act, read with the related rules and Listing Regulations, the Company provided electronic voting (e-voting) facility to its members, through the e-voting platform of LIPL. The members had the option to vote, either by physical ballot or through e-voting.

The Company dispatched the physical postal ballot notices and forms along with postage prepaid business reply envelope by permitted mode (i.e. through registered post or through courier) to its members whose names appeared on the register of members/list of beneficiaries as on the cut-off date, decided by the Board and whose email addresses were not registered. The postal ballot notice was sent in electronic form to those members whose e-mail addresses were registered with the depository participants (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agent (in case of physical shareholding). The Company had also published a notice in the newspapers as mandated under the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the Equity shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms, duly completed and signed, to the Scrutinizer, on or before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote before the close of the business hours on the last date of the e-voting.

The Scrutinizer submitted his report to the Executive Director cum CFO (authorised by Chairman for countersigning the said report), after the completion of the scrutiny, and the consolidated results of the postal ballot, were then announced by the Executive Director cum CFO. The results were displayed on the Company's website www.bhansaliabs.com and were also put on the notice board of the Company, besides being communicated to the Stock Exchanges and Registrar and Share Transfer Agent. The resolution mentioned in the Postal Ballot Notice dated 27th January, 2020 was considered as passed on 7th March, 2020, being the last date of receiving the duly completed Postal Ballot forms/e-voting.

5. DISCLOSURES:**(a) Related Party Transactions:**

During the financial year under review, there was no materially significant related party transaction entered into by the Company with its Promoters, Directors, Key Managerial Personnel(s) or management or their relatives, etc. which had potential conflict with the interest of the Company at large.

Transactions entered into with the related parties, as per respective Accounting Standards and/or other applicable laws are disclosed at Note No. 39 to the Audited Standalone Financial Statement of the Company, forming part of this Annual Report.

All Transactions with related parties were in the ordinary course of business and at arm's length basis. The policy on dealing with related party transactions has been placed on the weblink given below:

<https://bhansaliabs.com/investor/policies-and-procedures/policy-related-to-rpts/>

(b) Compliances by the Company:

The Company has made due compliances and no penalties and strictures were imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

(c) Establishment of Whistle Blower/Vigil Mechanism Policy and access to the Chairman of the Audit Committee:

The Company has established a Vigil Mechanism and formulated a Whistle Blower Policy, pursuant to which the Director(s) and employee(s) of the Company (including their representative bodies) have access to the Chairman of the Audit Committee, in appropriate or exceptional cases, in connection with any grievance which is concerned with unethical behaviour, frauds and other illegitimate activities in the Company.



The Whistle Blower/Vigil Mechanism Policy adopted by the Company is available on the website of the Company at <https://bhansaliabs.com/investor/vigil-mechanismwhistle-blower-policy/>

The Company has not received any complaint, pursuant to the aforesaid Whistle Blower/Vigil Mechanism Policy, during the financial year 2019-20 and no complaints are pending as on 31st March, 2020.

(d) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:

The Company has fully complied with all the mandatory requirements as stipulated under Regulation 27 of the Listing Regulations with the Stock Exchanges and has also adopted the following Non Mandatory Discretionary requirement as prescribed in Part E of the Schedule II to the Regulation 27 of the Listing Regulations, as amended from time to time:

- ❖ The Internal Auditor directly reports to the Audit Committee
- ❖ For the Financial Year 2019-20, the Auditors have expressed an unmodified opinion on the Financial Statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified Financial Statements.

(e) Material Subsidiaries:

The Company does not have any subsidiary company as on 31st March, 2020.

However, the Company has adopted a 'Policy on Material Subsidiaries' with regard to determination of Material Subsidiaries.

The above policy is available on the Company's website at <https://bhansaliabs.com/policy-on-material-subsidiaries/>

(f) Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the financial year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under Regulation 32 (7A) of Listing Regulations, is not applicable to the Company.

(g) Certificate from Practicing Company Secretaries:

As required by Clause 10 (i) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate from M/s Rathi & Associates, Practicing Company Secretaries, (FRN: P1988MH011900) certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority.

This certificate forms part of this Annual Report and is attached as Annexure 4A to this Report on Corporate Governance.

(h) Remuneration of Statutory Auditor:

Total fees of ₹ 4,50,000/- was paid to M/s. Azad Jain & Co., Chartered Accountants, the Statutory Auditor of the Company during financial year 2019-20.

(i) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i. **Number of complaints filed during the financial year** – Nil
- ii. **Number of complaints disposed of during the financial year** – Nil
- iii. **Number of complaints pending as on end of financial year** – Nil

(j) Disclosures of the compliance with corporate governance requirements:

The Company is in compliance with the requirements under Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as amended from time to time.

(k) Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account:

Particulars	Number of Shareholders	Number of Equity shares
Aggregate number of shareholders and the outstanding shares in suspense account lying as on 1 st April, 2019 (Demat and Physical)	15	17,300
Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year	0	0
Number of shareholders to whom shares were transferred from the suspense account during the year and the number of shares transferred	0	0
Number of shareholders and shares which were transferred to IEPF Account during the financial year	0	0
Aggregate number of shareholders and outstanding shares in the suspense account lying as on 31 st March, 2020 (Demat and Physical)	15	17,300

The voting rights on the shares outstanding in the suspense account as on 31st March, 2020 shall remain frozen till the rightful owner of such shares claims the shares.

(l) Compliance Reports of applicable laws:

The Board periodically reviews Compliance Reports, pertaining to all laws applicable to the Company, received from the heads of various departments, from time to time, as well as steps taken by it to rectify instances of non-compliances, if any.

(m) Code of Conduct:

The Company has formulated and laid down a Comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company which is available at the Company's website on <https://bhansaliabs.com/investor/code-of-conduct-for-senior-management/>. All the Board Members and Senior Management Personnel have affirmed compliance with the Code. The necessary declaration by the Managing Director as required under Regulation 34(3) read with Schedule V(D) of the Listing Regulations, regarding adherence to the Code of Conduct has been obtained for the financial year 2019-20 and forms part of this Annual Report.

(n) Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Act, with a view to regulate trading in securities of the Company by the Designated Persons.

Further, the Company has also adopted the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information under the aforesaid SEBI Regulations for preserving the confidentiality of unpublished price sensitive information and preventing misuse of such information and also ensuring timely, fair and adequate disclosure of events and occurrences that could impact price discovery in the market for the Company's securities. The same is available on the website of the Company at <https://bhansaliabs.com/prohibition-insider-trading-rules/>



6. MEANS OF COMMUNICATION:

Financial Results:

- i. The financial results of the Company are generally published in Business Standard (English) and Mumbai Lakshadeep (Marathi) newspapers, having wide circulation.

The financial results of the Company are also placed on the weblink given below:

<https://bhansaliabs.com/investor/quarterly-financial-result/>

- ii. In compliance with Regulation 46 of Listing Regulations, a separate dedicated section under the caption 'Investors' on the Company's website www.bhansaliabs.com provides information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half yearly/Nine-months and Annual financial results along with the applicable policies of the Company. The Company's official news releases, presentations made to institutional investors or to the analysts, if any, are also available on the said website.

7. GENERAL INFORMATION TO SHAREHOLDERS:

I	Day, Date, Time and Venue of Annual General Meeting (AGM)	Saturday, 26 th September, 2020 at 11:30 am through Video Conferencing/Other Audio Visual Means
II	Financial Year	1 st April, 2019 to 31 st March, 2020
III	Date of Book Closure / Record Date	From Saturday, 19 th September, 2020 to Saturday, 26 th September, 2020 (both days inclusive).
IV	Dividend Payment Date	Thursday, 1 st October, 2020
V	Listing on Stock Exchanges and payment of Listing Fees	The Company is listed on the below mentioned stock exchanges: BSE Limited, P. J. Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Further, the Listing Fees for the financial year 2020-21, as applicable, has been paid, within the stipulated time.
VI	Stock Code	BSE: 500052 NSE: BEPL-EQ
VII	Registrar and Transfer Agents	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083 Tel.: 022 - 4918 6000, Fax: 022 - 4918 6060 Website: www.linkintime.co.in E-mail: rnt.helpdesk@linkintime.co.in

i. Share Transfer System:

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities or in the cases where the documents were initially lodged for transfer before 1st April, 2019 and which was rejected due to discrepancy observed in the documents and the same being re-lodged.

Shares lodged for transfer with the RTA during the year were processed within a period of 15 days from the date of lodgement, subject to the condition that documents are complete in all respect.

Total number of shares transferred in physical form during financial year 2019-20.

Number of Transfer Deeds	19
Number of Shares Transferred	26400

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in dematerialized form are effected through the depositories.

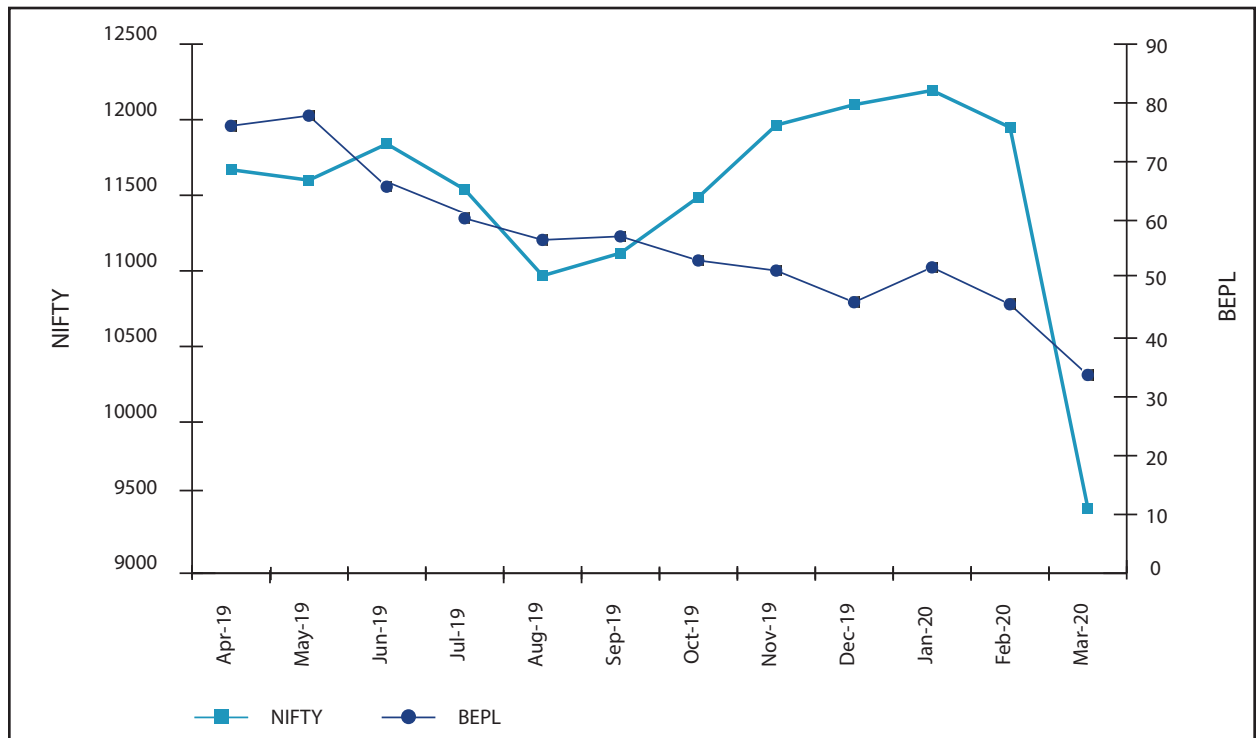
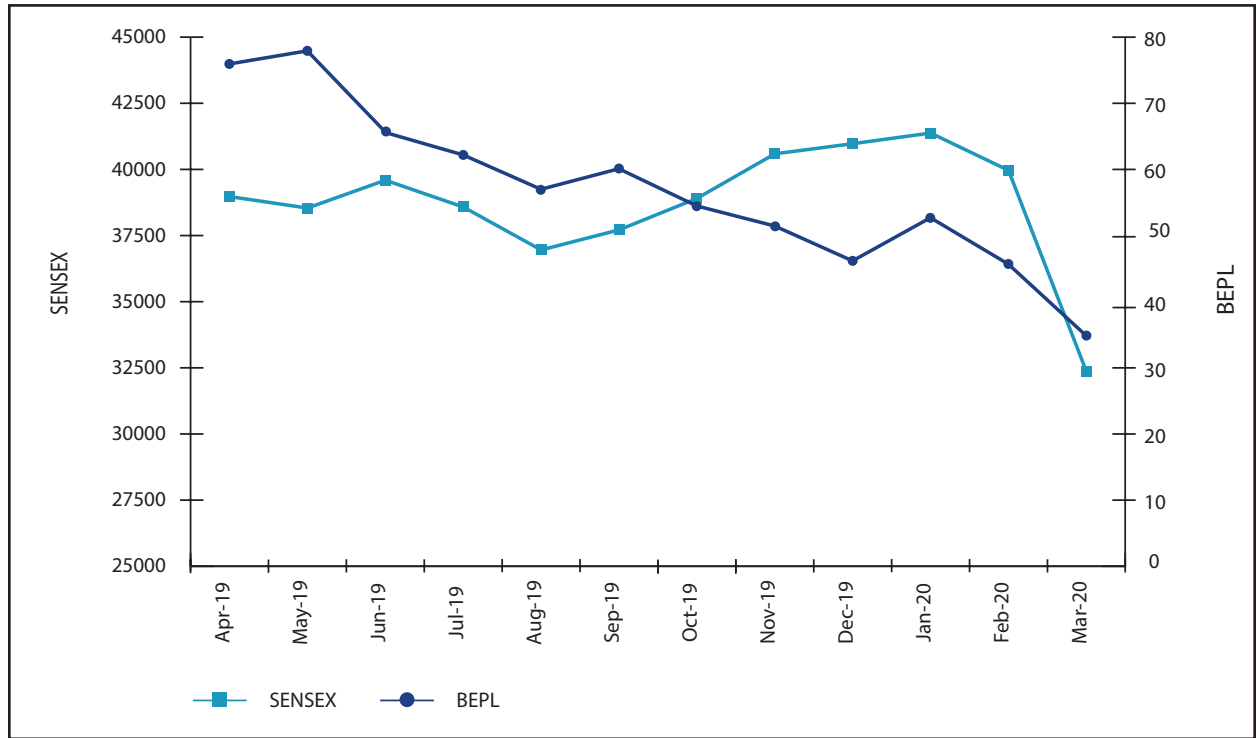
Further, the Company obtains a half-yearly certificate from Practicing Company Secretaries, as per the requirement of Regulation 40 (9) of Listing Regulations and the same is filed with the Stock Exchanges.

ii. Market Price Data – High, Low and Volumes during each month of the Financial Year 2019-20:

Month	BSE Limited			National Stock Exchange of India Limited		
	High Price	Low Price	No. of Shares	High Price	Low Price	No. of Shares
April 2019	87.70	64.20	3150602	87.70	64.50	15992161
May 2019	86.30	69.55	3379038	86.00	69.65	15055582
June 2019	74.50	56.85	1477736	75.00	56.50	6511914
July 2019	71.10	53.30	2323617	71.15	49.60	7713772
August 2019	64.90	49.10	1564778	64.40	49.00	5506599
September 2019	68.80	51.40	2589706	68.65	45.95	9030367
October 2019	62.95	46.00	2355117	63.40	43.00	12128306
November 2019	56.65	46.25	1718358	56.70	46.25	7946199
December 2019	55.00	37.35	3460328	55.00	37.20	12560991
January 2020	58.80	46.60	3378745	58.80	45.25	15318405
February 2020	50.40	40.95	1588362	50.50	41.00	6223873
March 2020	44.40	25.30	1949638	44.70	22.75	10176602



Performance in comparison to Indices:



iii. Distribution of Shareholding:

 The Distribution of Shareholding as on 31st March, 2020 is as under:

No. of Equity Shares held	Shareholders		Shares	
	Number	% of Total Shareholders	Amount (in ₹)	% of Total Capital
1-500	40931	74.63	6590167	3.97
501-1000	6805	12.41	5808052	3.51
1001-2000	3481	6.35	5485984	3.31
2001-3000	1166	2.13	3040885	1.83
3001-4000	529	0.96	1912992	1.15
4001-5000	468	0.85	2241153	1.35
5001-10000	746	1.36	5531271	3.33
10001 & above	721	1.31	135295136	81.55
Total	54847	100.00	165905640	100.00

iv. Categories of Shareholding:

 The Categories of Shareholding as on 31st March, 2020 are as under:

Category	Shareholders		Shares	
	Number	% to Total Shareholders	Amount (in ₹)	% to Total Capital
Promoter and Promoter Group	13	0.02	93652000	56.45
Clearing Members	104	0.19	329356	0.20
Other Bodies Corporate	414	0.75	5342403	3.22
Financial Institutions	1	0.00	238255	0.14
Hindu Undivided Family	1183	2.16	4614104	2.78
Mutual Funds	1	0.00	6500	0.00
Market Maker	1	0.00	500	0.00
Nationalised Banks	5	0.01	27750	0.02
Non Resident Indians	719	1.31	1307726	0.79
Non Resident (Non Repatriable)	250	0.46	399598	0.24
Public	52142	95.07	55458178	33.43
Trusts	1	0.00	1000	0.00
Unclaimed Shares	1	0.00	17300	0.01
Foreign Portfolio Investors (Corporate)	10	0.02	1831484	1.10
NBFCs registered with RBI	1	0.00	1000	0.00
Investor Education And Protection Fund	1	0.00	2678486	1.61
Total	54847	100.00	165905640	100.00

**v. Dematerialization of shares and liquidity:**

Equity shares of the Company representing 97.83 per cent of the Company's Equity Share Capital are dematerialized as on 31st March, 2020.

Under the Depository (NSDL & CDSL) System, the shares are dematerialised and are available in the electronic segment under International Securities Identification Number (ISIN) – INE922A01025 which is allotted to the Company's shares.

vi. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31st March, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments, which may impact the Equity Share Capital of the Company.

vii. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence, the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required to be given.

However, the Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s).

viii. Plant locations:**(a) Satnoor Plant–**

Bhansali Nagar, Village: Satnoor, Taluka: Sausar, Dist.: Chhindwara, Madhya Pradesh - 480 108, India.

(b) Abu Road Plant-

Plot No. SP-138-143, Ambaji Industrial Area, Abu Road, Dist.: Sirohi, Rajasthan - 307 026, India.

ix. Address for correspondence:**(a) Registrar & Transfer Agent:**

Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083
Tel.: 022 - 4918 6000 • Fax: 022 - 4918 6060
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

(b) Company's Registered Office:

401, 4th Floor, Peninsula Heights, C. D. Barfiwala Road, Andheri (West), Mumbai - 400 058
Tel.: 022 - 2621 6060 • Fax: 022 - 2621 6077
Website: www.bhansaliabs.com
E-mail: investors@bhansaliabs.com

For and on behalf of the Board

M. C. Gupta

Chairman

(DIN: 01362556)

Place : Gurugram
Date : 16th June, 2020

**ANNEXURE 4A
CERTIFICATE OF CORPORATE GOVERNANCE**

To,
The Members of

Bhansali Engineering Polymers Limited

We have examined the compliance of conditions of Corporate Governance by Bhansali Engineering Polymers Limited (**‘the Company’**) for the financial year ended 31st March, 2020 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 [**‘SEBI (LODR) Regulations 2015’**].

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance, as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements 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 Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015.

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

For and on behalf of

RATHI & ASSOCIATES
Company Secretaries

HIMANSHU S. KAMDAR

Partner

FCS No. 5171

CP No. 3030

UDIN: F005171B000630477

Place: Mumbai

Date : 18th August, 2020

CERTIFICATE

Based on our verification of books, papers, forms and returns filed and other records maintained by Bhansali Engineering Polymers Limited (**‘the Company’**) and also the information provided by its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities & Exchange Board of India, Ministry of Corporate Affairs or any such authority as on 31st March, 2020.

For and on behalf of

RATHI & ASSOCIATES
Company Secretaries

HIMANSHU S. KAMDAR

Partner

FCS No. 5171

CP No. 3030

UDIN: F005171B000630455

Place: Mumbai

Date : 18th August, 2020



ANNEXURE 4B
DECLARATION BY MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the members of Board of Directors and Senior Management Personnel (including Chief Financial Officer, Company Secretary and President level employees) of the Company have affirmed compliance with the Code of Conduct of Bhansali Engineering Polymers Limited, as applicable to them, for the FY ended 31st March, 2020.

For Bhansali Engineering Polymers Limited

B. M. Bhansali
Managing Director
(DIN: 00102930)

Place : Mumbai

Date : 16th June, 2020

ANNEXURE 5
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

To,
The Members,
Bhansali Engineering Polymers Limited
401, 4th Floor, Peninsula Heights,
C.D. Barfiwala Road, Andheri (West),
Mumbai - 400058

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhansali Engineering Polymers Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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 31st March, 2020, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Bhansali Engineering Polymers Limited ("the Company") as given in **Annexure-A** for the financial year ended 31st March, 2020, according to the provisions of:
 - (i) The Companies Act, 2013 ('the Act') and the rules made thereunder to the extent applicable;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were **not applicable** to the Company under the audit period under report:-
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable, specifically to the Company, as per the list given in **Annexure-B**.

We have also examined compliance with the applicable clauses of Secretarial Standards - 1 and 2 issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 and during the financial year under report. The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors, during the audit period under report.

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

None of the members have any dissenting views, in the matters/agenda proposed, from time to time, for consideration of the Board and its Committees thereof, during the year under the report, hence, were not required to be 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 year under review, the following action had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to hereinabove:

- Increase in the Authorized Share Capital of the Company from ₹ 20,00,00,000/- (₹ Twenty Crores only) to ₹ 40,00,00,000/- (₹ Forty Crores only) by creation of 20,00,00,000 (Twenty Crore) Equity Shares of ₹ 1/- (₹ One only) each.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner

FCS No. 5171

C.P. No. 3030

UDIN: F005171B000596201

Place: Mumbai

Date : 19th August, 2020

Note: Our report is to be read along with the Letter attached herewith as 'Annexure C'.

Annexure A
List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2019;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee held, during the said audit period, along with the Attendance Register(s);
4. Minutes of Annual General Meeting held, during the financial year under report;
5. Statutory Registers maintained under the Companies Act, 2013;
6. Agenda papers submitted to all the Directors/Members for the Board Meeting and the Committee Meetings;
7. Declarations/Disclosures received from the Directors/Secretary of the Company pursuant to the provisions of 184, 164 and 149(7) of the Companies Act, 2013;
8. Intimations received from Directors and Designated Employees under the Internal Code for Prevention of Insider Trading;
9. e-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof, during the financial year under report;
10. Intimations/documents/reports/returns filed with the Stock Exchanges, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year under report;
11. Documents related to payment of dividend made to its shareholders, during the financial year under report;
12. Various Policies made under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure B
The other laws which are specifically applicable to the Company are as below:-

1. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder;
2. The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder;
3. The Environment (Protection) Act, 1986 and rules made thereunder;
4. The Water (Prevention and Control of Pollution) Cess Act, 1977 and rules made thereunder;
5. The Public Liability Insurance Act, 1991 and rules made thereunder;
6. The Explosives Act, 1884 and rules made thereunder;
7. The Petroleum Act, 1934 and rules made thereunder; and
8. The Standards of Weights and Measures Act, 1976 and rules made thereunder.

**Annexure C**

To,
The Members,
Bhansali Engineering Polymers Limited
401, 4th Floor, Peninsula Heights,
C. D. Barfiwala Road, Andheri (West),
Mumbai - 400058

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 the Secretarial records. The verification was done, on test basis, to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures, on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner

FCS No. 5171

C.P. No. 3030

UDIN: F005171B000596201

Place: Mumbai

Date: 19th August, 2020

ANNEXURE 6
DISCLOSURE PURSUANT TO RULE 5 OF COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Disclosure
1	*The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20	Managing Director – 19.30 Executive Director cum CFO – 19.30
2	*The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Managing Director – (84.48%)** Executive Director cum CFO – (84.48%)** Company Secretary – 3.32%
3	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 21.80%. The calculation of percentage increase in median remuneration is done based on comparable employees.
4	The number of permanent employees on the rolls of Company	There were 468 permanent employees as on 31 st March, 2020.
5	Average percentile increase already made in the salaries of employees, other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 1.14%. The remuneration paid to managerial personnel during FY 2019-20 was less by 79.69 % as compared to FY 2018-19.
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, It is confirmed.

* The figures stated under point no. 2 & 3 pertaining to ratio of remuneration and percentage increase in remuneration, respectively, have been calculated, excluding the sitting fees paid to the Non-Executive Independent Directors, during the financial year 2019-20.

** The percentage increase in remuneration of the Managing Director and the Executive Director cum CFO for the financial year 2019-2020 is negative, as both of them decided to forgo the remuneration earned in the form of commission, for the current fiscal, calculated on the profits of the Company.

Disclosures as per rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Disclosures as required under Section 134 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, as amended, forms part of this report. However, pursuant to the provisions of Section 136 of the Act, this report is being sent to all shareholders of the Company excluding the aforesaid information and the said particulars will be made available at the registered office of the Company. The Members interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

For Bhansali Engineering Polymers Limited

M. C. Gupta
Chairman

(DIN: 01362556)

Place : Gurugram
Date : 16th June, 2020

ANNEXURE 7

**DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014.**

A. Conservation of Energy:

Steps taken or impact on conservation of energy	Installing of efficient new blowers in compounding to control Air and Dust Pollution.
	Replacement of conventional light with LED lights and sensor-based light control to optimise the overall operational time.
	Temperature-based controlling of Cooling Tower Fan and replacement of old motors with IE3 energy efficient motors.
	Elimination of intermediate water tank resulted in non-use of cooling water transfer pump, thereby saving of Energy.
Steps taken by the company for utilizing alternate sources of energy	NA
Capital investment on energy conservation equipment	₹ 13.13 lakh (appx.)

B. Technology Absorption:

Efforts made towards technology absorption	Yes
Benefits derived like product improvement, cost reduction, product development or import substitution	New colour Technology will help in reducing colouring cost and improving the colour quality.
In case of imported technology (imported during the last three years reckoned from beginning of the financial year)	December 2019
Details of technology imported	Colour Technology from Nippon A&L, Japan
Year of import	FY 2019-20
Whether the technology has been fully absorbed	No, we are in process of Implementing
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Due to Covid-19 Pandemic, the schedule of training in the month of March'20 at Japan, which was part of colour technology knowledge transfer could not be done due to the International travel restriction.
Expenditure incurred on Research and Development	Yes

Expenditure incurred on Research and Development:

	Particulars	Amount (₹ In lakh)
a.	Capital	30.98
b.	Recurring	227.63
c.	Total (a) + (b)	258.61
d.	Total R&D expenditure as a percentage of:	
	Gross Turnover	0.20%
	Net Turnover	0.23%

C. Foreign Exchange Earnings & Outgo during the financial year under review:

	Particulars	Amount (₹ In lakh)
	Foreign Exchange Earning	148.48
	Foreign Exchange Outgo	80539.19

ANNEXURE 8
BUSINESS RESPONSIBILITY REPORT

INTRODUCTION

The Company considers itself to be socially responsible. It aims towards contribution to the development of the Society as a whole by adopting responsible business practices.

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company being part of the top 1000 listed entities, it presents the following Business Responsibility Report based on the suggested framework of SEBI, strengthening its commitment towards transparent disclosure of its environmental and social performance.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

Particulars	Information	
1. Corporate Identification Number (CIN) of the Company	L27100MH1984PLC032637	
2. Name of the Company	Bhansali Engineering Polymers Limited	
3. Address of the Registered/ Head Office and contact details	401, 4 th Floor, Peninsula Heights, C. D. Barfiwala Road, Andheri (West), Mumbai - 400058, Maharashtra. Tel: (+91-22) 2621 60 60-64 Fax: (+91-22) 2621 60 77	
4. Website	www.bhansaliabs.com	
5. E-mail id	investors@bhansaliabs.com	
6. Financial Year reported	1 st April, 2019 to 31 st March, 2020	
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Name & Description of Product/Services	NIC Code of the Product/Service
	Acrylonitrile Butadiene Styrene Resins	390330
	Styrene Acrylonitrile Resins	390320



Particulars	Information
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	<p>Bhansali Engineering Polymers Limited (BEPL) is a leading Petrochemical Company in India and is involved in the manufacturing of:</p> <ol style="list-style-type: none">Acrylonitrile Butadiene Styrene (ABS)Styrene Acrylonitrile (SAN)High Rubber Graft (HRG).
9. Total Number of locations where business activity is undertaken by the Company: (a) Number of International Locations (b) Number of National Locations	<p>The Company has PAN India presence.</p> <p>It reaches to the customers through marketing offices situated at Bangalore, Gurugram, Ahmedabad, Pune & Chennai and its head office at Mumbai.</p> <p>The Company's manufacturing plants are located at Abu Road, Rajasthan and Satnoor, Madhya Pradesh.</p>
10. Markets served by the Company (Local/State/National/International)	State and National.

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1. Paid up Capital	₹ 1,659.06 Lakh
2. Total Turnover	₹ 1,29,530.37 Lakh
3. Total profit after taxes	₹ 6,682.76 Lakh
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	<p>The Company has spent 2% of its average net profits for the preceding three financial years, in terms of Section 135 of the Companies Act, 2013 and Rules made thereto towards CSR activities in Financial Year 2019-20.</p>
5. List of activities in which expenditure in 4 above has been incurred:-	<p>In line with the CSR Policy, the Company has spent the amount mentioned in (4) above on activities relating to Education, Promotion of Art & Culture and Health & Safety.</p> <p>The details of CSR activities are also available in Annexure 2 of the Board's Report, which forms part of the Annual Report 2019-20.</p>

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	The Company does not have any Subsidiary Company as on the date of the Report.
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)	Not Applicable
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION
1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies:		(b) Details of the BR head:	
1. DIN:	00102930	1. DIN:	01062853
2. Name:	Mr. B. M. Bhansali	2. Name:	Mr. Jayesh B. Bhansali
3. Designation:	Managing Director	3. Designation:	Executive Director cum CFO
		4. Tel No.:	022-26216060
		5. E-mail id:	jayesh@bhansaliabs.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies:

Principles to assess compliance with environmental, social and governance norms are provided as under:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

**(a) Details of compliance (Reply in Y/N):**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy(s) for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders? (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Does the policy conform to any national/ international standards? If Yes, Specify? (Refer Note 2)	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 Member? (Refer Note 3)	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? (Refer Note 4)	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Has the policy been formally communicated to all relevant internal and external stakeholders? (Refer Note 5)	Y	Y	Y	Y	Y	Y	Y	Y	Y
7. Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
8. Does the Company have a grievance redressal mechanism to address stakeholder's grievance related to the policy (ies)? (Refer Note 4)	Y	Y	Y	Y	Y	Y	Y	Y	Y
9. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? (Refer Note 6)	Y	Y	Y	Y	Y	Y	Y	Y	Y
10. Indicate the link for the policy to be viewed online?	Refer Note 7 below								

Notes:

- All the policies have been formulated in accordance with the legal stipulations governing them and in consultation with the Management of the Company.
- Policies are formulated ensuring adherence to the applicable laws of the Country.
- The policy(ies) are approved by the Board of Directors. The said policy(ies) are signed by Mr. B. M. Bhansali, Managing Director of the Company and Mr. M. C. Gupta, Chairman of the Board of Directors.
- Mr. B. M. Bhansali, Managing Director has been appointed by the Board as the Director responsible for Business Responsibility Report (BRR). Further, Mr. Jayesh B. Bhansali, Executive Director cum CFO of the Company has been appointed as the BR head.
- The Company engages in an effective and transparent manner with all the stakeholders to create sustainable, long-term value for all stakeholders. For ensuring effective communication, the policies have been uploaded on the website of the Company.
- The evaluation of the working of other policies is generally done through internal mechanism.
- The Company has placed all the applicable mandatory policies on its website. The Business Responsibility Policy of the Company gives reference of the policies covering the above 9 principles. The hyperlink for the respective policies have been provided under Section E of this Report

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.	Annually
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company publishes its BRR Annually. The BRR for FY 2019-20 is also available on: http://bhansaliabs.com/investor/quarterly-final-result/

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY.

Policy governing Principle 1: Ethics, Transparency and Accountability Policy

The above policy is available on the Company's website at <http://bhansaliabs.com/download/Ethics-Transparency-and-Accountability-Policy.pdf>

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?

Yes. BEPL considers ethical practices as an integral part of good management and is committed to act professionally, fairly and with integrity while conducting its business. The Company has adopted a Code of Conduct, as laid under the Ethics, Transparency and Accountability Policy, which is applicable to all its employees and also to the Board of Directors. The said code governs issues in relation to ethics, bribery and corruption.

The Company ensures compliance of ethical standards, not only by its employees but also by its Joint Venture Company, vendors, contractors etc. through appropriate clauses in the contract signed with them.

The Whistle Blower/Vigil Mechanism Policy specifically covers issues related to ethics, bribery and corruption and acts as guidelines for every employee for prevention, detection and reporting of any improper and unethical act(s) or practice(s) being conducted in 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 the financial year under review, there was no complaint relating to Ethics, Transparency and Accountability lodged by the stakeholders against the Company.



PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

Policy governing Principle 2: Product Lifecycle Sustainability Policy

The above policy is available on <http://bhansaliabs.com/download/Product-Lifecycle-Sustainability-Policy.pdf>

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

The Company is involved in manufacturing of Highly Hazardous Petrochemical product – HRG/SAN powder through Emulsion Polymerization at its Satnoor Plant. To ensure Green environment, the Company has set-up state of the Art Effluent Treatment Plant ('ETP') for treatment of waste effluent generated from plant. The treated water from ETP is used in maintaining the Green belt around the plant and no water is discharged outside the plant boundary (Zero Discharge). The Company operates Diesel Generator for emergency backup and to control air pollution, Company is maintaining good health of the equipment's and Green belt around the plant.

2. For each such product, provide the following details in respect of resource used (energy, water, raw material etc.) per unit of product (optional):

High Rubber Graft – Below mentioned resources are being used:

Various raw materials, *inter-alia*, Butadiene, Styrene, Acrylonitrile, Tertiary Dodecyl Mercaptain, Potassium per Sulphate, Diprosin, MgSO₄ etc. are used. As far as utility is concerned Water, Coal (Fuel), Steam and Nitrogen are also used.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes, the Company has the requisite procedures in place for ensuring sustainable sourcing. The Company being in the business of manufacturing of ABS & SAN resins, requires utilization of multiple resources for its various processes. The Company follows sustainable approach for ensuring optimum utilization of its resources. It also ensures that the vendors, who supply the raw materials, fulfill the necessary requirements of sustainable sourcing, as are mandated by various statutory authorities.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

BEPL procures certain goods like Coal, NaOH, stationary, etc. from local suppliers. The semi-skilled / unskilled men power, as and when required, is sourced from nearby villages.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

ETP has been designed for Zero Discharge outside the plant, to treat the effluent generated from the manufacturing plant. Designed outfall of ETP unit is 550 KLPD as per CTO norms and all treated water in ETP is being reused for green belt development, spread across 20 hectare.

PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

Policy governing Principle 3: Employee Well Being Policy

The above policy is available on <http://bhansaliabs.com/download/Employee-Well-Being-Policy.pdf>

1. Please indicate the Total number of employees.

As on 31st March, 2020 – 468

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

The contractual/ casual employees are hired on daily basis as per operational requirement of the manufacturing units.

3. Please indicate the Number of permanent women employees.

As on 31st March, 2020 – 10

4. Please indicate the Number of permanent employees with disabilities

As on 31st March, 2020 – 1

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

- Bhartiya Polymers and Chemical Mazdoor Sangh, Satnoor, Madhya Pradesh.
- Bhansali Engineering Polymers Majdoor Sangha, Abu Road, Rajasthan.

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

As on 31st March, 2020, around 61% of the employees at Satnoor Plant, Madhya Pradesh and 42% of the employees at Abu Road Plant, Rajasthan, are members of the above mentioned associations, respectively.

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.

Sr No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of the financial year
1	Child labour/forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

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

• Permanent Employees	100%
• Permanent Women Employees	100%
• Casual/Temporary/Contractual Employees	95%
• Employees with Disabilities	100%

PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.
Policy governing Principle 4: Stakeholder Engagement Policy and Corporate Social Responsibility Policy

The above policies are available on <http://bhansaliabs.com/download/Stakeholder-Engagement-Policy.pdf> and <http://bhansaliabs.com/investor/corporate-social-responsibility-csr-policy/> respectively.

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

Yes. The Company deals with multiple stakeholders, during its normal course of business and has mapped its internal and external stakeholders including employees, shareholders and investors, Regulatory authorities, suppliers/vendors, etc.

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

Yes. The Company has identified the disadvantaged, vulnerable and marginalized stakeholders by assessing their financial capabilities and standard of living conditions.

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.

The Company considers protecting interests of all the stakeholders as its moral duty, especially that of the disadvantaged, vulnerable and marginalized stakeholders.

The Company extends its support to the disadvantaged, vulnerable and marginalized sections of the society, through its CSR initiatives. The details of initiatives taken by the Company in this regard are provided in Annexure 2 of the Board's Report.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.****Policy governing Principle 5: Human Rights Policy**

The above policy is available on <http://bhansaliabs.com/download/Human-Rights-Policy.pdf>

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?

The Human Rights Policy is applicable to all the business divisions of the Company. The Company also adheres to the principles of safeguarding the Human Rights while dealing with various stakeholders including employees, shareholders, suppliers, contractors etc. The Company promotes the awareness and realization of human rights across their value chain.

Further, in order to maintain a safe and healthy workplace environment at its plants and offices, the Company takes all the necessary precautions, as required, as per the policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the financial year under review, no stakeholder complaints, pertaining to Human Rights were received by the Company.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT.**Policy governing Principle 6: Preservation of Environment Policy**

The above policy is available on <http://bhansaliabs.com/download/Preservation-of-Environment-Policy.pdf>

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

The Company has adopted the Preservation of Environment Policy, which is applicable to all its business divisions. The Company places highest corporate priority in ensuring and adhering to best practices, relating to environment protection. It sets high standards in the area of environmental responsibility - striving for performance that does not merely comply with regulations but also reduces environmental impacts.

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.

With a view to positively contribute to the environment, the Company supports the "Go Green initiative" taken by Ministry of Corporate Affairs (MCA). The Company makes provision for electronic communication of the Annual Reports and other documents to the shareholders. The Company also maintains most of the records in digital mode/ electronic mode with the intention of saving paper.

Besides, the Company from time to time works on various objectives and goals targeted towards compliances, regarding environment and statutory aspects. It also follows the International Organization for Standardization (ISO) policy, standards and reviews plant performance on the management front. Various actions and controls are laid under continual improvement programs for improvement of Environmental Management System, few of those have been listed below:

- a) Pneumatic ash handling system for effective handling of ash generated at boiler section to avoid dust.
- b) Bag filter installed in Boiler for controlling Suspended Particulate Matter (SPM) within norms.
- c) Installation of Multi Grade Filter (MGF) & Activated Carbon Filter (ACF) tanks for tertiary treatment process for further treatment of the treated water.
- d) 100% reuse of treated water and 1.5 km length of distributed piping network for effective distribution of treated water in Green belt (zero discharge outside plant).
- e) 100% Secured disposal of Hazardous Waste Generated from Process.
- f) New dust collection system installed in compounding at Abu Road.
- g) New Fume collection system installed in compounding at Abu Road.
- h) Condition monitoring of every rotating equipment for vibrations to avoid noise pollution.

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

Yes, the Company identifies and assesses potential environmental risks and based on the same, the Company takes necessary steps to reduce the impact of the Company's activities on the environment.

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?

BEPL, at present, does not have any project related to Clean Development Mechanism. The Company complies with rules laid under Environment Protection Act, 1986, Air Act, 1981 and Water Act, 1974 and guidelines issued by State regulatory authorities and other conditions laid down in consent license, where the manufacturing plants are set up.

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

During the financial year under review, the following initiatives have been undertaken by the Company, with regard to clean technology, energy efficiency, renewable energy etc.:

- a) In order to save radiation losses, repairs and replacement of operating parts were done for steam and chilled water line, respectively, after its condition assessment.
- b) Installation of New ID fan at Fluidized Bed Combustion (FBC) boiler.
- c) High wattage lights were replaced with low wattage LED lights for optimum utilization of resources and ensuring energy efficiency.
- d) Installation & commissioning of energy efficient Nitrogen generating plant.
- e) Installation & commissioning of energy efficient crew chiller process water cooling application.
- f) Replacement of energy efficient IE3 motors, in place of IE0 and IE1.
- g) Replacement of 3 Dyno drives with energy saving VFD.
- h) Replacement of 160W HPSV FLP well glass fixture with 60W LED light fixture
- i) Highly efficiency new blowers installed in compounding, to control air and dust pollution.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB)/State Pollution Control Boards (SPCB) for the financial year being reported?

Yes, the emissions/waste generated by the Company during FY 2019-20 were within the permissible limits prescribed by CPCB/SPCB.

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

During the financial year under review, no show cause or legal notice has been received from the CPCB and SPCB at Satnour, Madhya Pradesh and Abu Road, Rajasthan.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.**Policy governing Principle 7: Responsible Advocacy Policy**

The above policy is available on <http://bhansaliabs.com/download/Responsible-Advocacy-Policy.pdf>

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. The Company is a member of Confederation of Indian Industry (CII).

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)

The Company understands the improvement and advancements of the industry in the interest of public good. The Company takes all efforts to co-operate with all the government bodies and policy makers in this regard.



PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Policy governing Principle 8:

➤ Corporate Social Responsibility (CSR) Policy

The policy is available on <http://bhansaliabs.com/investor/corporate-social-responsibility-csr-policy/>

➤ Inclusive Growth and Equitable Development Policy-

The policy is available on <http://bhansaliabs.com/download/Inclusive-Growth-and-Equitable-Development-Policy.pdf>

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

The CSR Policy adopted by the Company, includes various activities, as enumerated in Schedule VII to the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, which includes the following:

- Happy Childhood;
- Health;
- Education;
- Employment;
- Hunger Eradication;
- Environmental Sustainability;
- Promoting Gender Equality, Sports, Art and Culture, etc. and
- Social Welfare activities for general public and up-liftment of deserving and deprived section of the society.

The Company during the financial year 2019-20 had undertaken CSR activities in the fields of Educational, Promotion of Art & Culture and Health & Safety. The Company, as and when required, sources labourers from the vicinity of the manufacturing plants, which in turn, generates employment for the people, especially the weaker sections of the society.

The detailed information pertaining to the CSR initiatives and expenditure have been provided in Annexure 2 to the Board's Report, forming part of this Annual Report.

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

The CSR programmes/projects are undertaken directly by the Company through in-house team and through Implementing Agencies as well, on case to case basis.

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

Yes, the Company undertakes impact assessment of its CSR projects and initiatives on timely basis. The assessment of such projects/initiatives is carried on by the in-house team, under the guidance of the CSR Committee.

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

The Company has spent ₹ 191.52 Lakh on CSR activities, during the financial year 2019-20.

The Company has contributed towards promoting Art & Culture and supporting the Educational needs of the children in schools. The Company has also made contribution towards Health & Safety. The CSR initiatives taken by the Company focused on providing support to the weaker sections of the society.

Apart from this, in order to support the country in its fight against Corona Virus pandemic, the Company has made a substantial contribution towards the PM CARES Fund and CM Relief Fund of Madhya Pradesh and Rajasthan and other Trusts, upto the date of this report.

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.**

The Company ensures that the community development initiatives implemented by it, is successfully adopted and benefits the society at large.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER.

Policy governing Principle 9: Customer Value Policy

The above policy is available on <http://bhansaliabs.com/download/Customer-Value-Policy.pdf>

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

As on 31st March, 2020, there were no customer complaints/consumer cases, which were pending.

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)**

All Product Information, which is required under the applicable laws are displayed on the product label.

Further, information on specification/properties of the Company's products is also available on the website of the Company under the link <http://bhansaliabs.com/product/>

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.**

As of 31st March, 2020, there were no pending cases, filed by any stakeholder, against the Company, pertaining to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

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

The Company believes that stakeholder engagement is an integral part of the business and constantly strives to reach out and capture the interactions at every stage in a structured manner, from its key stakeholders including distributors, vendors, etc.



INDEPENDENT AUDITORS' REPORT

To,
The Members of

Bhansali Engineering Polymers Limited

Report on the Audit of Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Bhansali Engineering Polymers Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement, the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

Opinion

2. In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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 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 31st March 2020, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

4. 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 year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, 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 audit report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Inventory verification and valuation Due to the current scenario of Covid-19, the procedures followed for physical verification of the Inventory at various locations of the Company was to be evaluated.	Principal Audit Procedures In view of the significance of matter our auditing procedures included the following: Testing the design, implementation and operating effectiveness of key controls over the verification of Inventory followed by the management. Assessing the valuation methodology used by management and testing the accuracy of the same. Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached on the carrying values of Inventory and associated disclosures. Obtaining third party confirmations wherever necessary. Assessing the various transaction codes of Inventory to identify unusual items.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 Responsibility for the Audit of the Standalone Financial Statements

7. 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 skepticism 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.

Report on Other Legal & Regulatory Requirements

8. 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of written representations received from the Directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financials control over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure II".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
 - ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of

Azad Jain & Co

Chartered Accountants

F.R. No.: 006251C

Rishabh Verdia

Partner

M. No.: 400600

Place: Mumbai

Dated: 16th June, 2020

UDIN NO: 20400600AAAAAJ2358



Annexure – I to the Independent Auditors' Report

(Referred to in paragraph 8 under the heading of “Report on Other Legal and Regulatory Requirements” Section of our report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, a major portion of the fixed assets has been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies were noticed on such verification.
c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of Immovable properties are held in the name of Company.
2. a) The Inventories were physically verified by the management during the year except goods in transit and those lying with third parties. In respect of inventory lying with third parties, these have substantially been confirmed by them.
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of the above stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
c) As explained to us, the discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
3. As informed to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence paragraph (a), (b) & (c) of Clause 3 (iii) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loan(s) to any party covered under Section 185 of the Act. In respect of Investments made in Body Corporate by the Company, the provisions of Section 186 of the Act, has been complied with.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
6. We have broadly reviewed the books of account maintained by the Company in respect of products, pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended and prescribed by the Central Government under sub Section (1) of Section 148 of the Act. We are of the opinion that, *prima facie*, the cost records and accounts have been maintained by the Company. However, we are not required to carry out and have not carried out any detailed examination of such accounts and records.
7. a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, GST, Cess and any other statutory dues have been generally regularly deposited in time with the appropriate authorities and there are no undisputed statutory dues payable at the year-end for a period of more than six months from the date they became payable.
b) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, there are no dues outstanding in respect of Income Tax, Custom Duty, GST, Service Tax, Cess and any other statutory dues on account of any dispute other than the following:

Name of the Statute	Nature of Dues	Disputed Amount in ₹ lakhs	Period to which it relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	19.68	FY 11-12	Commissioner of Income Tax (Appeals), Mumbai

8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and has not availed any term loans during the year under audit. Hence the provisions of clause 3 (ix) of the Order is not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of Clause 3 (xii) of the Order is not applicable to the Company.
13. In our opinion and according to information and explanations given to us, transactions with related parties are in compliance with sections 177 and 188 of Act, wherever applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the Clause 3 (xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of Clause 3 (xv) the Order is not applicable to the Company.
16. According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the Clause 3 (xvi) of the Order is not applicable to the Company.

For and on behalf of

Azad Jain & Co

Chartered Accountants

F. R. No.: 006251C

Rishabh Verdia

Partner

M. No.: 400600

Place: Mumbai

Dated: 16th June, 2020

UDIN NO: 20400600AAAAAJ2358



Annexure – II to the Independent Auditor’s Report

(Referred to in paragraph 8 under the heading of “Report on Other Legal and Regulatory Requirements” Section of our report of even date)

Report on the Internal Financial Controls under clause (i) of Sub- Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bhansali Engineering Polymers Limited as of 31st March, 2020 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed u/s 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls system 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 depends upon the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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 transaction 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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 and on behalf of**Azad Jain & Co**

Chartered Accountants

F.R. No.: 006251C

Rishabh Verdia

Partner

M. No.: 400600

Place: Mumbai**Dated:** 16th June, 2020**UDIN NO:** 20400600AAAAAJ2358



Standalone Balance Sheet as at 31st March, 2020

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2020	As at 31 st March, 2019
A Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	14,952.77	14,343.99
(b) Capital Work in Progress		151.58	—
(c) Intangible Assets	4A	8.76	5.92
(d) Financial Assets			
(i) Non-current Investments	5	150.00	150.00
(ii) Loans	6(i)	2,143.70	—
(iii) Other Financial Assets	7(i)	415.53	228.83
(e) Other non-current assets	8(i)	68.21	110.04
Total Non-Current Assets (A)		17,890.55	14,838.78
(2) Current assets			
(a) Inventories	9	20,835.44	10,012.57
(b) Financial assets			
(i) Trade Receivables	10	15,373.78	22,379.96
(ii) Cash and cash equivalents	11	5,567.63	2,053.11
(iii) Bank balances other than (ii) above	12	759.82	345.19
(iv) Loans	6(ii)	3,189.85	2,146.04
(v) Other Financial assets	7(ii)	219.21	704.00
(c) Other current assets	8(ii)	1,469.93	393.26
Total Current Assets (B)		47,415.66	38,034.13
Total Assets (A) + (B)		65,306.21	52,872.91
B Equity & Liabilities			
1) Equity			
(a) Equity Share Capital	13	1,659.06	1,659.06
(b) Other Equity	14	33,961.29	28,231.20
Total Equity (A)		35,620.35	29,890.26
2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other Non-Current Financial Liability	15(i)	43.92	0.30
(b) Long term provisions	16(i)	377.55	417.89
(c) Deferred tax liabilities (Net)	17	1,635.17	2,091.09
Total Non-Current Liabilities (B)		2,056.64	2,509.28
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	18		
Total Outstanding dues of Micro, Small and Medium Enterprises			
Total Outstanding dues of other than Micro, Small and Medium Enterprises		27,230.74	19,445.95
(ii) Other Current Financial liabilities	15(ii)	124.10	308.11
(b) Other Current liabilities	19	213.24	632.91
(c) Short term provisions	16(ii)	61.14	86.40
(d) Current Tax Liabilities (Net)		—	—
Total Current Liabilities (C)		27,629.22	20,473.37
Total Equity and Liabilities (A) + (B) + (C)		65,306.21	52,872.91

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of

Azad Jain & Co

Chartered Accountants
F.R.No: 006251C

Rishabh Verdia

Partner
M. No. 400600

Place : Mumbai

Dated : 16th June, 2020

UDIN NO : 20400600AAAAAJ2358

For and on behalf of the Board of Directors

M. C. Gupta

Chairman

Jayesh B. Bhansali

Executive Director cum CFO

Place : Mumbai / Gurugram

Dated : 16th June, 2020

UDIN NO : 20400600AAAAAJ2358

B. M. Bhansali

Managing Director

Ashwin Patel

Company Secretary

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in lakhs)

Particulars	Note No.	Year ended 31 st March, 2020	Year ended 31 st March, 2019
CONTINUING OPERATIONS			
I. Income:			
Gross Revenue including GST	20	129,530.37	144,391.19
Less: GST		19,097.35	21,913.20
Revenue from Operations (Net of GST)		110,433.02	122,477.99
Other Income	21	590.06	689.80
Total Income		111,023.08	123,167.79
II. Expenses:			
Cost of materials consumed	22	59,264.98	69,881.96
Purchase of Traded goods		31,881.99	32,609.92
Changes in inventories of finished goods and stock in trade	23	(1,813.17)	(903.18)
Employee benefits expense	24	2,870.06	3,243.94
Finance costs	25	11.23	121.30
Depreciation and amortization expense	4	951.77	734.00
Other Expenses	26	9,595.08	9,743.06
Total Expenses		102,761.94	115,431.00
III. Profit before Tax (I-II)		8,261.14	7,736.79
IV. Tax Expense:			
Current Tax		2,050.63	2,067.53
Deferred Tax		(471.95)	1,016.50
Total Tax Expenses		1,578.68	3,084.03
V. Profit from continuing Operations (III-IV)		6,682.46	4,652.76
VI. Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement Gain/(losses) of defined benefit plans	27	63.70	37.47
Income Tax on above		(16.03)	(13.09)
Other Comprehensive Income/(Loss), Net of Tax		47.67	24.38
VII. Total Comprehensive Income for the year (V+VI)		6,730.13	4,677.14
VIII. Earnings per Equity Share of ₹ 1 each (from continuing Operation):			
Basic (₹)		4.03	2.80
Diluted (₹)		4.03	2.80

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of

Azad Jain & Co
 Chartered Accountants
 F.R.No: 006251C

Rishabh Verdia
 Partner
 M. No. 400600

Place : Mumbai
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAJ2358

For and on behalf of the Board of Directors

M. C. Gupta
 Chairman

Jayesh B. Bhansali
 Executive Director cum CFO

Place : Mumbai / Gurugram
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAJ2358

B. M. Bhansali
 Managing Director

Ashwin Patel
 Company Secretary

**Statement of Changes in Equity for the year ended 31st March, 2020****(A) Equity Share Capital**

(₹ in lakhs)

Particulars	Number of Shares	Amount
At April 1, 2018	165,905,640	1,659.06
Changes in Equity Share Capital during the Year	-	-
At March 31, 2019	165,905,640	1,659.06
Changes in Equity Share Capital during the year	-	-
At March 31, 2020	165,905,640	1,659.06

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Total
	Retained Earnings (Note 14)	General reserve (Note 14)	Securities premium (Note 14)	
Balance as at April 1, 2018	20,952.10	225.00	2,977.00	24,154.10
Profit for the Year	4,652.76	-	-	4,652.76
Other comprehensive income/(loss) for the year	24.38	-	-	24.38
Total Comprehensive Income	4,677.14	-	-	4,677.14
Final Dividends Paid	(497.72)	-	-	(497.72)
Dividend distribution tax	(102.31)	-	-	(102.31)
Balance as at 31st March, 2019	25,029.20	225.00	2,977.00	28,231.20
Profit for the Year	6,682.46	-	-	6,682.46
Other comprehensive income/(loss) for the year	47.67	-	-	47.67
Total comprehensive Income	6,730.13	-	-	6,730.13
Final Dividends Paid	(829.53)	-	-	(829.53)
Dividend distribution tax	(170.51)	-	-	(170.51)
Balance as at 31st March, 2020	30,759.29	225.00	2,977.00	33,961.29

As per our report of even date attached

For and on behalf of

Azad Jain & Co

Chartered Accountants

F.R.No: 006251C

Rishabh Verdia

Partner

M. No. 400600

Place : Mumbai**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAJ2358

For and on behalf of the Board of Directors

M. C. Gupta

Chairman

Jayesh B. Bhansali

Executive Director cum CFO

B. M. Bhansali

Managing Director

Ashwin Patel

Company Secretary

Place : Mumbai/Gurugram**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAJ2358

Standalone Statement of Cash Flow for the year ended 31st March, 2020

(₹ in lakhs)

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Cash Flows from Operating Activities		
Profit before tax as per statement of Profit and Loss	8,261.14	7,736.79
Adjustments to reconcile Profit before Tax to Net Cash Flows		
Depreciation of property, plant and equipment	946.74	719.45
Amortisation of Intangible Assets	5.04	14.55
Profit on Disposal/Write Off of Fixed Assets (Net)	(0.21)	(9.34)
Net (gain)/loss on sale of investments	(111.84)	(21.88)
Interest income	(437.14)	(301.11)
Finance costs	11.23	121.30
Unrealised exchange (gain)/losses	224.70	(419.15)
Operating profit before working capital changes	8,899.66	7,840.61
Movement in Working Capital:		
Decrease/(increase) in Inventories	(10,822.87)	(2,010.55)
Decrease/(increase) in Trade and other receivables	7,006.18	(3,838.21)
Decrease/(increase) in bank balance other than cash and cash equivalents	(414.63)	11.89
Decrease/(increase) in other non-current financial assets	(186.70)	(31.17)
Decrease/(increase) in other current financial assets	551.54	(658.49)
Decrease/(increase) in Other current assets	(1,076.67)	91.55
Decrease/(increase) in Other non current assets	(25.03)	–
Increase/(Decrease) in Trade payable	7,560.09	7,290.37
Increase/(Decrease) in Provision	(1.90)	52.26
Increase/(Decrease) in other current financial liabilities	(184.01)	12.90
Increase/(Decrease) in other non current financial liabilities	43.62	–
Increase/(Decrease) in Other current liabilities	(419.67)	(160.13)
Cash generated from/(used in) Operations	10,929.61	8,601.02
Direct taxes paid, net of refunds	(2,117.38)	(3,254.49)
Net cash flow from/(used in) operating activities (A)	8,812.23	5,346.53
Cash Flows from Investing Activities		
Purchase of Property, plant and equipment including CWIP	(1,650.36)	(3,655.22)
Proceeds from sale of Property, plant and equipment	2.45	19.24
Net (gain)/loss on sale of investments	111.84	21.88

**Standalone Statement of Cash Flow for the year ended 31st March, 2020 (Contd.)**

(₹ in lakhs)

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Loans Given	(4,210.76)	(5,300.78)
Loans Repaid	1,023.25	3,157.86
Interest income	437.14	301.11
Net cash from/(used in) investing activities (B)	(4,286.44)	(5,455.91)
Cash Flows from Financing Activities		
Finance costs	(11.23)	(121.30)
Dividend on equity shares (including dividend distribution tax)	(1,000.04)	(600.02)
Net cash from/(used in) financing activities (C)	(1,011.27)	(721.32)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,514.52	(830.70)
Cash and Cash Equivalents at the beginning of period	2,053.11	2,883.81
Cash and Cash equivalents at the end of the period	5,567.63	2,053.11

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS-7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
- Cash flow from operating activities includes ₹ 191.52 lakhs (31st March, 2019. ₹ 116.43 lakhs) being the expenditure towards Corporate Social Responsibility.
- Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached

For and on behalf of

Azad Jain & Co

Chartered Accountants

F.R.No: 006251C

Rishabh Verdia

Partner

M. No. 400600

Place : Mumbai**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAJ2358

For and on behalf of the Board of Directors

M. C. Gupta

Chairman

Jayesh B. Bhansali

Executive Director cum CFO

B. M. Bhansali

Managing Director

Ashwin Patel

Company Secretary

Place : Mumbai / Gurugram**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAJ2358

Notes to the Standalone Financial Statement for the year ended 31st March, 2020

1 Corporate Information

Bhansali Engineering Polymers Limited is a Public Listed company registered in India, incorporated under the provisions of the Companies Act, 1956 and its shares are listed with NSE and BSE. The company is engaged in manufacturing of ABS and SAN resins which is classified under the category of Highly Specialized Engineering Thermoplastics. The manufacturing facilities of the company is located at Abu Road, Rajasthan and Satnoor, Madhya Pradesh.

1.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

2 Summary of Significant Accounting Policies

(a) Basis of preparation and Measurement

The Financial statements have been prepared on an accrual basis of accounting and under the historical cost convention, except for the following:

Defined benefit plans-Plan assets are measured at fair value (refer note 38).

The Financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs, except otherwise stated as per the requirement of Schedule III.

All the Assets & Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in AS 1 and Schedule III to the said Act.

(b) Classification of Current and Non-Current

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to determine the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non – current.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation/ amortization and impairment losses, if any. The cost comprises of the purchase price (net of GST credit wherever applicable) and any attributable cost of bringing the property, plant and equipment to its working condition for its intended use.

Subsequent expenditure related to an item of property, plant and equipment are added to its gross book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

The Company identifies and determines separate useful life for each major component of property, plant and equipment, if they have useful life that is materially different from that of the remaining asset.



Items such as Machinery spares is recognized in accordance with Ind AS 16 "Property, Plant and Equipment" when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventories.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition of property, plant and equipment's outstanding at each Balance Sheet date are disclosed as Capital Advances under "Other Non Current Assets".

Losses arising from the retirement of, and gains and losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognized in the statement of profit and loss when the property, plant and equipment is derecognized.

(d) Depreciation on Property, plant and equipment

Depreciation on property, plant and equipment is provided pro-rata for the period of use, using the Straight Line Method based on the respective estimate of useful life given below.

Class of Asset	Useful life (In Years)
Buildings	30 - 60 Years
Plant & Machinery	25 Years
Furniture & Fixtures	10 Years
Office Equipment's and Computers	3 - 6 Years
Vehicles	8 - 10 Years
Stores & Spares	5 Years

Lease hold land is not depreciated over the useful life of the lease.

(e) Intangible Assets and Amortization

Intangible assets are valued at cost less amortization and comprise mainly of computer software licenses. Amortization takes place on a straight line basis over the assets anticipated useful life. The useful life is determined based on the period over which the asset is expected to be used and generally does not exceed 5 years. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(f) Investment in Joint Venture

Investments in joint venture is recognized at cost as per Ind AS 27.

(g) Inventories

Inventories are stated at cost or net realizable value whichever is lower. Cost include purchase price, non-refundable taxes and delivery and handling cost and all costs incurred in bringing the inventory to its present location and condition. Cost of raw materials, process chemicals, stores and spares, packing material, and other inventory is determined on weighted average basis.

Work-in-progress and finished goods stock is valued at cost or net realizable value whichever is lower. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

(h) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, short-term deposits with an original maturity of three months or less, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Retirement and other employee benefits

Company's contributions paid/payable during the year to Provident Fund, ESIC, Labour Welfare Fund and Superannuation Fund are recognised in the Statement of Profit & Loss. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the Balance sheet with a corresponding charge or credit to 'Other comprehensive income' in the year in which they occur. Remeasurements are not reclassified subsequently to the Statement of Profit and Loss. Net interest is calculated by applying the discount rate to the net defined liability or asset. The company recognises Service costs and Net interest expense or income in the statement of profit and loss. The Company has started contributing the gratuity liability amount to the approved Gratuity Fund formed during the current year exclusively for the Gratuity payment of the employees.

(j) Foreign Currency transactions

The Company's financial statements are presented in INR, which is also the Company's Functional Currency.

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 and recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(k) Taxes on Income**Income Tax**

Income tax expense represents the sum of current tax and deferred tax and includes any adjustments related to past periods in current and /or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant year. Current income tax is based on the taxable income and calculated using the applicable tax rates.

Deferred Tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes at the reporting date. The carrying amount of deferred tax assets is reviewed at the end of reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Current and deferred tax is recognised in Statement of profit or loss except to the extent that it relates to items recognised in other Comprehensive income or directly in Equity. In this case the tax is also recognised in other Comprehensive income or directly in Equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(l) Revenue Recognition

Revenue from contracts with customers are recognised as per Ind AS 115 when control of the goods or services are transferred to the customers at the fair value of consideration received or receivable. The Company recognizes revenue when the same can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. Revenue is measured at the value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, discounts, loyalty discount, and amounts collected on behalf of third parties.

i) Sale of goods

Sales are recognized when substantial risk and rewards of ownership are transferred to customer, In case of domestic customers, sales generally take place when goods are dispatched or delivery is handed over to the transporter, in case of export customers, sales generally take place when goods are shipped on-board based on bill of lading.

**ii) Interest & Dividend Income**

Interest income is recognised on time proportion basis taking into account the amount invested and rate of interest. Dividend income is recognized when the Company's right to receive dividend is established by the Balance Sheet date, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

iii) Revenue in respect of other claims is recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

(m) Leases

The Company recognises the Right to Use for Assets taken on lease only if the Lease is of a long term duration and the underlying value of Asset is substantial in terms of the newly introduced Ind AS 116 Leases.

(n) Provisions

A provision is recognized when the Company has a present obligation Legal or Constructive that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. These estimates are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(o) Segment Reporting

The Company manufactures and sells ABS and SAN which belong to the same product group i.e. "Highly Specialized Engineering Thermoplastics" alongwith Trading in Styrene which constitutes the main raw material for manufacturing ABS and SAN. The product has the same risks and returns, which are predominantly governed by market conditions, namely demand and supply position. Thus, in the context of Indian Accounting Standard 108 "Operating Segment", issued by the Institute of Chartered Accountants of India, there is only one identified reportable segment.

(p) Earnings per Share

Basic earnings per share are calculated by dividing the net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year

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

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(r) Impairment**Financial Assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.
- b) Other financial assets which are measured at amortised cost.

The Company follows simplified approach for recognition of impairment loss allowance on Trade receivables. The Company recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The carrying amount of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists or when annual impairment testing for an asset is required, then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

(s) Financial Instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs of acquisition of financial assets carried at Fair value through profit or loss are expensed in the Statement of profit and loss. Financial assets are classified, at initial recognition and subsequent measurements ,as financial assets at fair value or as financial assets measured at amortised cost.

A financial asset is measured at amortised cost less impairment, if the objective of the company's business model is to hold the financial asset to collect the contractual cash flows.

Impairment of financial assets:

The company assesses on a forward basis the expected credit losses associated with its financial assets carried at amortised cost. For trade receivables, the company applies the simplified approach permitted by Ind AS 109 Financial instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

Derecognition:

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value . The company's financial liabilities include trade and other payables.

Financial liabilities are classified as 'Financial liabilities at fair value through profit or loss' if they are held for trading or if they are designated as financial liabilities upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offsetted and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**(t) Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

(u) Research and Development Expenditure

Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure are included in Property, Plant and Equipment.

3 Use of Judgment's, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation and Leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Useful life of Property, plant and equipment

The company reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expenses in the future years.

NOTE 4: PROPERTY PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold land	Leasehold land	Buildings	R & D-Buildings	Plant and machinery	R & D-Plant & Machinery & Equipments	Furniture, Fixtures & Office Equipments	Vehicles	Total
Gross Carrying Cost									
As at April 1,2018	14.85	140.99	1,977.08	–	7,728.68	–	541.36	321.00	10,723.96
Additions	–	–	52.27	715.50	2,071.74	1,125.82	290.17	93.88	4,349.38
Disposals	–	–	–	–	–	–	–	(16.99)	(16.99)
Balance as at March 31, 2019	14.85	140.99	2,029.35	715.50	9,800.42	1,125.82	831.53	397.89	15,056.35
Additions	–	–	53.56	3.33	1,321.96	27.65	137.82	13.52	1,557.84
Transfers	–	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	(2.53)	(2.53)
Balance as at March 31, 2020	14.85	140.99	2,082.91	718.83	11,122.38	1,153.47	969.35	408.88	16,611.66
Accumulated Depreciation									
As at April 1,2018									
Charge for the Year 2018-19	–	–	75.98	4.11	468.86	10.10	99.22	61.18	719.45
Disposals	–	–	–	–	–	–	–	(7.09)	(7.09)
Balance as at March 31, 2019	–	–	75.98	4.11	468.86	10.10	99.22	54.09	712.36
Charge for the Year	–	–	78.52	22.66	627.02	54.26	106.56	57.72	946.74
Disposals	–	–	–	–	–	–	–	(0.21)	(0.21)
Balance as at March 31, 2020	–	–	154.50	26.77	1,095.88	64.36	205.78	111.60	1,658.89
Net Block									
As at March 31, 2020	14.85	140.99	1,928.41	692.06	10,026.50	1,089.11	763.57	297.28	14,952.77
As at March 31, 2019	14.85	140.99	1,953.37	711.39	9,331.56	1,115.72	732.31	343.80	14,343.99

NOTE 4A: OTHER INTANGIBLE ASSETS
Computer Software & Licenses

(₹ in lakhs)

Particulars	Total
Gross Carrying Cost	
As At April 1, 2018	17.44
Additions	3.03
Disposals/Transfers	–
Balance as at March 31, 2019	20.47
Additions	7.88
Disposals/Transfers	–
Balance as at March 31, 2020	28.35
Accumulated Amortisation	
As At April 1, 2018	
Charge for the Year	14.55
Disposals/Transfers	–
Balance as at March 31, 2019	14.55
Charge for the Year	5.04
Disposals/Transfers	–
Balance as at March 31, 2020	19.59
Net Block	
Balance as at March 31, 2020	8.76
Balance as at March 31, 2019	5.92



NOTE 5: NON-CURRENT INVESTMENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Investments consist of the following:		
Non-current investments		
(i) Investments- Non-current- At Deemed Cost		
Fully paid unquoted investments of Joint Venture Company		
15,00,000 (Previous Year: 15,00,000) Equity Shares of ₹10 each fully paid up of Joint Venture Company Bhansali Nippon A&L Pvt Ltd	150.00	150.00
Total Value of Investment (unquoted)	150.00	150.00

NOTE 6: LOANS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Loans (unsecured) consist of the following:		
(i) Long-term loan		
Considered good unless otherwise stated		
(a) Loans & Advances to Employees	-	-
(b) Loans Receivables	2,143.70	-
(c) Loans Receivables which have significant increase in credit risk	-	-
(d) Loans Receivables - credit impaired	-	-
	2,143.70	-
(ii) Short-term loans		
Considered good unless otherwise stated		
(a) Loans & advances to employees	4.05	2.34
(b) Loans Receivables	3,185.80	2,143.70
(c) Loans Receivables which have significant increase in credit risk	-	-
(d) Loans Receivables - credit impaired	-	-
	3,189.85	2,146.04

NOTE 7: OTHER FINANCIAL ASSETS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other financial assets consist of the following:		
(i) Non-current financial assets		
(a) Security deposits	415.53	228.83
	415.53	228.83
(ii) Current financial assets		
(a) Security deposits	-	56.08
(b) Advances recoverable in cash or kind (Unsecured Considered good)	92.83	467.23
(c) Advance Income Tax	107.93	174.69
(d) Interest accrued on deposits	18.45	6.00
	219.21	704.00

NOTE 8: OTHER ASSETS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other assets consist of the following:		
(i) Other non-current assets		
Considered good		
(a) Prepaid expenses	–	–
(b) Balance with statutory/government authorities	25.03	–
(b) Capital advance in kind or for value to be received	43.18	110.04
	68.21	110.04
(ii) Other current assets		
Considered good unless otherwise stated		
(a) Prepaid expenses	90.25	63.57
(b) Balance with statutory/government authorities	498.58	92.71
(c) Advance to suppliers	881.10	236.98
	1,469.93	393.26

NOTE 9: INVENTORIES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
(Valued at lower of cost and net realisable value)		
Finished Goods	1,763.91	628.48
Stock-in-Process	2,467.21	1,789.47
Raw Materials	1,895.94	2,184.32
Stock at Port including Goods in Transit	14,184.90	4,849.30
Packing Materials	44.56	44.49
Stores & Spares	478.92	516.51
	20,835.44	10,012.57

NOTE 10: TRADE RECEIVABLES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Trade Receivables	15,373.78	22,379.96
Less: Allowances recognised for expected credit losses	–	–
	15,373.78	22,379.96
Break-up for security details of Trade Receivables		
Secured, considered good	–	–
Unsecured, considered good	15,331.39	22,379.96
Trade Receivables which have significant increase in credit risk	42.39	–
Trade Receivables -credit impaired	–	–
	15,373.78	22,379.96
Allowances for doubtful receivables	–	–
	15,373.78	22,379.96

There are no trade or other receivable due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.



NOTE 11: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Cash and cash equivalents consist of the following:		
(i) Balances with banks		
In current accounts	1,853.86	2,045.46
In Fixed Deposits with Bank	3,698.97	–
(ii) Cash on hand	14.80	7.65
	5,567.63	2,053.11

NOTE 12: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
(i) Earmarked balance towards dividend#	54.80	48.19
(ii) Earmarked Fixed Deposits	705.02	297.00
	759.82	345.19

These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

NOTE 13: SHARE CAPITAL

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Authorised Share Capital		
40,00,00,000 (P.Y. 20,00,00,000) Equity Shares of ₹ 1/- each	4,000.00	2,000.00
	4,000.00	2,000.00
Issued, subscribed and fully paid-up		
16,59,05,640 (P.Y. 16,59,05,640) Equity Shares of ₹ 1/- each fully paid up	1,659.06	1,659.06
	1,659.06	1,659.06

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31 st March, 2020		As at 31 st March, 2019	
	No's	(₹ in lakhs)	No's	(₹ in lakhs)
At the beginning of the Year	165,905,640	1,659.06	165,905,640	1,659.06
Changes during the year	–	–	–	–
Outstanding at the end of the period	165,905,640	1,659.06	165,905,640	1,659.06

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 st March, 2020		As at 31 st March, 2019	
	No's	% holding in the class	No's	% holding in the class
Mr. B. M. Bhansali	16,386,887	9.88%	16,384,887	9.88%
Bhansali International Pvt Ltd	16,105,183	9.71%	16,105,183	9.71%
Sheraton Properties & Finance Limited	11,734,000	7.07%	11,734,000	7.07%
Mr. Jayesh Bhansali	11,561,945	6.97%	11,561,945	6.97%
Bentley Commercial Enterprises Limited	8,883,043	5.35%	8,883,043	5.35%
Speedage Commercials Limited	8,384,009	5.05%	8,384,009	5.05%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) Dividend paid and proposed

	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend on equity shares declared and paid:		
Final Dividend for the year ended March 31, 2019 : ₹ 0.50 per share * (Previous year: ₹ 0.30 per share)	829.53	497.72
Dividend distribution tax on final dividend	170.51	102.31
Date of approval (date of Annual General Meeting)	September 29, 2019	September 29, 2018
Proposed Dividend on equity shares		
Final Dividend for the year ended March 31, 2020 : ₹ 0.50 per share (Previous year: ₹ 0.50 per share)	829.53	829.53
Dividend distribution tax on proposed dividend	–	170.51

* Dividend declared on September 29, 2019 was paid on October 1, 2019.

NOTE 14: OTHER EQUITY

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Securities premium Reserve		
Opening balance	2,977.00	2,977.00
Closing balance	2,977.00	2,977.00
General reserve		
Opening balance	225.00	225.00
Closing balance	225.00	225.00
Retained Earnings		
Opening balance	25,029.20	20,952.10
Profit for the year	6,682.46	4,652.76
Dividend for the year ended March 31	(829.53)	(497.72)
Dividend distribution tax	(170.51)	(102.31)
Other comprehensive income/ (loss)	47.67	24.38
Closing balance	30,759.29	25,029.20
Total Other Equity	33,961.29	28,231.20

**NOTE-15: OTHER FINANCIAL LIABILITIES**

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other financial liability consist of the following:		
(i) Other Non-Financial Current Liabilities		
Deposit	0.30	0.30
Unclaimed Dividend	43.62	–
	43.92	0.30
(ii) Other Financial Current Liabilities		
Employee Dues	88.80	241.87
Unclaimed Dividend	11.18	48.19
Other Dues	24.12	18.05
	124.10	308.11

NOTE-16: PROVISIONS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Provisions consist of the following:		
(i) Non-current provision		
(a) Provision for gratuity	270.74	335.36
(b) Provision for leave benefits	106.81	82.53
	377.55	417.89
(ii) Current provision		
(a) Provision for gratuity	55.25	76.59
(b) Provision for leave benefits	5.89	9.81
	61.14	86.40

NOTE-17: DEFERRED TAX LIABILITIES (NET)

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Deferred Tax Liabilities:		
Property, Plant and equipment	1,745.59	2,292.42
Deferred tax liabilities (Net)	1,745.59	2,292.42
Deferred Tax Assets		
Gratuity and other employee benefits	110.42	201.33
Deferred tax liabilities (Net)	110.42	201.33
	1,635.17	2,091.09

NOTE-18: TRADE PAYABLES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Trade payable consist of the following:		
Dues to micro and small enterprises	—	—
Dues to Others		
Trade payables to others	27,230.74	19,445.95
Trade payables to Related parties	—	—
	27,230.74	19,445.95

NOTE-19: OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Statutory Dues	213.24	632.91
	213.24	632.91

NOTE 20: REVENUE FROM OPERATIONS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Sale of Finished Goods	91,980.76	106,077.46
Trading Sales	37,549.61	38,313.73
	129,530.37	144,391.19
Less: GST	19,097.35	21,913.20
Net Sales (Net of GST)	110,433.02	122,477.99

NOTE 21: OTHER INCOME

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Interest Income on		
Bank Deposits	22.69	58.14
Others	414.45	242.97
Profit on Sales of Assets	0.21	9.34
Bad Debts Recovered	10.24	3.20
Profit on Sale of Investment	111.84	21.88
Other non-operating income	30.63	354.27
	590.06	689.80

**NOTE 22: COST OF MATERIALS CONSUMED**

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Raw Material		
Inventory at the beginning of the Year	7,033.62	5,971.50
Purchases	68,312.20	70,944.08
	75,345.82	76,915.58
Less: Inventory at the end of the Year	16,080.84	7,033.62
	59,264.98	69,881.96

NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Inventories at the end of the Year:		
Finished Goods	1,763.91	628.48
Stock-in-trade	2,467.21	1,789.47
	4,231.12	2,417.95
Less: Inventories at the beginning of the Year:		
Finished Goods	628.48	116.80
Stock-in-trade	1,789.47	1,397.97
	2,417.95	1,514.77
	(1,813.17)	(903.18)

NOTE 24: EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Salaries, wages and bonus	2,545.91	2,944.08
Contributions to Provident Fund etc.	137.33	116.13
Staff welfare expenses	186.82	183.73
	2,870.06	3,243.94

NOTE 25: FINANCE COSTS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Interest Expenses	1.23	65.20
Finance & Bank Charges	10.00	56.10
	11.23	121.30

NOTE 26: OTHER EXPENSES

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Stores and Spares Consumed	525.71	507.97
Packing Materials Consumed	429.73	485.44
Power & Fuel	3,290.09	3,118.97
Rent, Rates & Taxes	1,252.93	878.70
Insurance	223.98	148.92
Travelling & Conveyance	477.92	453.33
Repairs & Maintenance:		
Buildings	16.57	21.08
Machinery	55.22	98.10
Others	64.31	79.93
Printing & Stationery	20.99	25.43
Postage, Telephone, Fax etc.	47.85	47.89
Miscellaneous Expenses	416.63	449.30
Donation	–	35.75
Research & Development Expenses	227.63	124.04
Legal & Professional Charges	106.15	89.67
Auditors' Remuneration:		
Audit Fees	4.50	4.50
Tax Audit Fees	–	0.45
Taxation Matters	–	0.30
Review Audit Fees and Certification	–	0.50
Directors' Sitting Fees	7.70	9.50
Bad Debts	19.88	–
Royalty & Commission	260.91	368.73
Foreign Exchange Fluctuation	148.17	837.19
Freight & Forwarding	1,806.37	1,835.34
CSR Expenses*	191.52	116.43
Cash discount	0.32	5.60
	9,595.08	9,743.06

* During the year, the Company was required to spend ₹ 191.50 lakhs (P.Y. ₹ 155.56 lakhs), out of which the Company has incurred CSR expenses of ₹ 191.52 lakhs (P.Y. ₹ 116.43).

NOTE 27: COMPONENTS OF OTHER COMPREHENSIVE INCOME

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Re-measurement gain / (loss) on defined benefit plans as per Ind AS 19	(63.70)	(37.47)
	(63.70)	(37.47)



28. LEASES

The leasing arrangements are in most cases renewable by mutual consent, on mutually agreeable terms.

The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other Expenses".

Future lease rentals payable in respect of residential and office premises is as follows:

(₹ in lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
i. Payable Not later than one year	162.30	186.69
ii. Payable Later than one year but not later than five years	246.50	205.36
iii. Payable Later than five years	–	–
Total	408.80	392.05

29. IND AS 116 VS IGAAP

The Ministry of Corporate Affairs (MCA), Notified IND AS 116, Leases, as part of the Companies (Indian Accounting Standard) Amendment Rules, 2018. The new standard is effective for accounting period beginning on or after April 1, 2019.

The Company adopted the newly introduced Ind AS 116, which requires the entities to provide disclosures that enable users of financial statements to evaluate proper accounting of Leases from adoption of IND AS 116 from IGAAP.

The adoption of the IND AS 116 did not have any material impact on the financial statements.

30. CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

(₹ in lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Claims against the Company not acknowledged as debts		
i. Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances).	61.91	167.49
ii. Service tax and Customs demands under appeal	–	–
iii. Income tax demand under appeal	19.68	–
Total	81.59	167.49

31. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

There is no amount due to Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprise Development Act, 2006". The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

32. DETAILS OF FORWARD CONTRACTS & UNHEDGED FOREIGN CURRENCY EXPOSURE:

32.1 Forward contracts outstanding as at the Balance Sheet date

There are no forward contract outstanding as at balance sheet date.

32.2 Foreign currency exposures which are not hedged as at the Balance Sheet date:

Particulars	As at 31 st March, 2020			As at 31 st March, 2019		
	Amount in Forex	Currency	Amount ₹ in lakhs	Amount in Forex	Currency	Amount ₹ in lakhs
Liabilities Payable						
Financial Liability						
(i) Trade payables	33,789,911.49	USD	25,591.11	26,363,273.00	USD	18,222.30
Total	33,789,911.49	-	25,591.11	26,363,273.00	-	18,222.30

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

33.1 The Company has adopted a CSR Policy which encompasses wide range of activities enumerated vide Schedule VII to the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which is primarily comprised of:

1. Happy Childhood
2. Health
3. Education
4. Employment
5. Hunger eradication
6. Environmental Sustainability
7. Promoting Gender Equality
8. Social Welfare activities for general public and upliftment for deserving sections of society
9. Sports Promotion etc.

The Company is inclined at present to undertake CSR activities pertaining to promotion of education, art and culture, imparting of vocational training and also to extend help to deserving and needy students and upgrade the educational standards, construct lavatory and suitable infrastructure for conducting vocational training programs etc. in vicinity of its one of the factory/ plant located in Satnoor, Madhya Pradesh which enables the inhabitants of neighbouring areas to be immensely benefited by way of availing good education and opportunity for skill developments of their children and deprived sections of the society.

The Company's CSR policy is available at: <http://bhansaliabs.com/investor/corporate-social-responsibility-csr-policy>

33.2 During the year, the Company was required to spend ₹ 191.50 lakhs (P.Y. ₹ 155.56 lakhs), out of which the Company has incurred CSR expenses of ₹ 191.52 lakhs (P.Y. ₹ 116.43 lakhs).

33.3 Amount spent during the year on:

Particulars	(₹ in lakhs)	
	Year ended 31 st March, 2020	Year ended 31 st March, 2019
i) Promotion of Art and Culture	137.10	2.00
ii) Education	54.42	112.43
iii) Sports Promotion	-	2.00
Total	191.52	116.43

34. EARNINGS PER SHARE

The following reflects the income and share data used in the Basic and Diluted EPS computation:

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
Profit for the year attributable to equity holders for Basic and Diluted Earnings (₹ in Lakhs)	6,682.46	4,652.76
Weighted average number of equity shares for Basic/ Diluted EPS	165,905,640	165,905,640
Earnings per share – Basic/ Diluted (in ₹) (face value of ₹ 1 per share)	4.03	2.80



35. SEGMENT REPORTING

The Company manufactures and sells ABS and SAN which belong to the same product group i.e. “Highly Specialized Engineering Thermoplastics” alongwith Trading in Styrene which constitutes the main raw material for manufacturing ABS and SAN. The product has the same risks and returns, which are predominantly governed by market conditions, namely demand and supply position. Thus, in the context of Indian Accounting Standard - 108 “Segment Reporting”, issued by the Institute of Chartered Accountants of India, there is only one identified reportable segment.

36. CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company’s capital management is to maximise the shareholder value and to safeguard the companies ability to remain as a going concern.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The current capital structure of the company is equity based with no financing through borrowings. The company is not subject to any externally imposed capital requirement.

No changes were made in the objectives, policies or processes during the year ended March 31, 2020 and March 31, 2019 respectively.

37. FAIR VALUE DISCLOSURES

37.1 The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

The categories used are as follows:

- **Level 1:** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price.;
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2; and
- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying value and fair value of financial assets/liabilities by categories are as follows:

(₹ in lakhs)

Particulars	Notes	Carrying Value	
		As at March 31, 2020	As at March 31, 2019
Financial Assets			
(a) Trade Receivables	10	15,373.78	22,379.96
(b) Cash and cash equivalents	11	5,567.63	2,053.11
(c) Bank balances other than above	12	759.82	345.19
(d) Loans	6 (i), 6 (ii)	5,333.55	2,146.04
(e) Other financial assets	7 (i), 7(ii)	634.74	932.83
Total		27,669.52	27,857.13

Investment in Joint Venture are measured at cost as per Ind AS 28, ‘Investment in Associates and Joint Ventures’ and hence not presented here.

(₹ in lakhs)

Particulars	Notes	Carrying Value	
		As at March 31, 2020	As at March 31, 2019
Financial Liabilities			
(a) Trade payables	18	27,230.74	19,445.95
(b) Other financial liabilities	15 (i), 15 (ii)	168.02	308.41
Total		27,398.76	19,754.36

The carrying value of all the financials assets and financial liabilities are reasonable a approximation of their fair values. Accordingly the fair values of such financial assets and liabilities have not been disclosed separately.

37.2 Financial Risk Management – Objectives And Policies

The Company's activities expose it to variety of financial risk viz. credit risk, liquidity risk and market risk. The Company has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to their business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management focus is to foresee the unpredictability and minimise the potential adverse effects on the Company's financial performance. The Company's overall risk, management procedures to minimize the potential adverse effect of the financial market on the company's performance are as follows:

37.3 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily from trade receivables, cash and cash equivalents, and financial assets measured at amortised cost.

A. Trade Receivables:

Trade receivables of the Company are generally unsecured. The Company performs ongoing credit evaluations of its customers' financial conditions and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business through internal evaluation. The allowance for impairment of trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. The Company has no concentration of credit risk as the customer base is geographically distributed in India.

B. Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

C. Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously and is based on the credit worthiness of those parties.

D. Investments

Investment in Joint Venture are measured at cost as per Ind AS 28, 'Investment in Associates and Joint Ventures' and hence not presented here.

Provision for expected credit losses

a) Expected credit losses for financial assets other than trade receivables

The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

b) Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analyzing historical trend of default and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Based on such simplified approach, no allowance has been recognised.



37.4 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments. The Company manages its liquidity risk by maintaining sufficient bank balance.

As on March 31, 2020, the Company's financial liabilities of ₹ 27,398.76 lakhs (March 31, 2019 ₹ 19,754.36 lakhs) are all current and due in the next financial year.

37.5 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The company is not exposed to other price risk whereas the exposure to currency risk and interest risk is given below:

A. Foreign Currency Risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies.

A.1 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Quarterly reports are submitted to Board of Directors on the unhedged foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(in lakhs)

Particulars	As at 31 st March, 2020			As at 31 st March, 2019		
	USD	EURO	Total	USD	EURO	Total
(c) Trade payables	337.90	–	337.90	263.63	–	263.63
Total financial liabilities	337.90	–	337.90	263.63	–	263.63

A.2 Foreign Currency sensitivity analysis

(₹ in lakhs)

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	1% Increase	1% Decrease	1% Increase	1% Decrease
(a) USD	(255.91)	255.91	(182.22)	182.22
Increase/(Decrease) in Profit or Loss	(255.91)	255.91	(182.22)	182.22

B. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate due to change in market interest rates. The Company's investments are primarily in fixed rate interest bearing investments. Hence the company is not significantly exposed to interest rate risk.

38. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS.
38.1 Defined Contribution Plans:

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in lakhs)

Particulars	Year ended	Year ended
	31 st March, 2020	31 st March, 2019
Employer's contribution to Provident Fund	137.33	116.13
Employer's contribution to Superannuation Fund and ESIC	18.98	23.70

Company's contributions paid/payable during the year to Provident Fund, ESIC, Labour Welfare Fund and Superannuation Fund are recognised in the Statement of Profit & Loss.

38.2 Defined Benefit Plans:

The Company's liabilities towards gratuity and leave encashment, a defined benefit obligation, is accrued and provided for on the basis of actuarial valuation, using the projected unit credit method as at the Balance Sheet date.

38.3 Statement of Profit and Loss

Amount recognised in Statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Current service cost	35.60	28.52	24.01	19.70
Past service cost and (gain)/loss on settlements	–	–	–	–
Net interest expense	25.72	28.27	5.03	4.55
Component of defined benefit costs recognised in Statement of Profit and Loss	61.32	56.79	29.04	24.25
Remeasurement of net defined benefit liability:				
Actuarial gain on defined benefit obligation	19.58	(0.56)	44.12	38.03
Components of defined benefit costs recognised in other comprehensive income	19.58	(0.56)	44.12	38.03
Total	80.90	56.23	73.16	62.28

The current service cost and net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

38.4 The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Present value of defined benefit obligation	462.36	411.96	112.70	92.33
Fair value of plan assets	136.37	–	–	–
Net liability/(asset) arising from defined benefit obligation	325.99	411.96	112.70	92.33



Movement in the present value of the defined benefit obligation are as follows:

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Balance at the beginning of the year	411.96	398.14	92.33	91.35
Current service cost	35.60	28.52	24.01	19.70
Interest cost	30.12	28.27	5.03	4.55
Remeasurement (gains)/losses:				
Actuarial (gains)/losses	18.97	(0.56)	44.12	38.03
Benefits paid	(34.30)	(42.42)	(52.79)	(61.30)
Transfer of obligation	-	-	-	-
Acquisitions cost	-	-	-	-
Balance at the end of the year	462.36	411.96	112.70	92.33

Movement in the fair value of the plan assets are as follows:

(₹ in lakhs)

Particulars	Gratuity		Leave Encashment	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Balance at the beginning of the year	-	-	-	-
Acquisition adjustment	-	-	-	-
Interest income on plan assets	4.40	-	-	-
Remeasurement gain (loss):	(0.59)	-	-	-
Employer Contribution	166.86	-	-	-
Employer Direct Benefit Payments	(16.69)	-	-	-
Benefits paid from Plan Assets	(17.61)	-	-	-
Balance at the end of the year	136.37	-	-	-

38.5 The Company has opened an Employees Group Gratuity Cash Accumulation Scheme for its Employees with LIC of India for Gratuity payments. The Company has made an contribution of ₹ 166.86 lakhs during the current year. (P.Y. NIL).

38.6 The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Gratuity		Leave Encashment	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Discount rate	6.64%	7.50%	6.64%	7.50%
Salary Escalation	4.00%	4.00%	4.00%	4.00%

38.7 Sensitivity Analysis

The financial results are sensitive to the actuarial assumptions. The changes to the Defined Benefit Obligations for increase in decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below:

Particulars	Gratuity		Leave Encashment	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Under Base Scenario	0.00%	0.00%	0.00%	0.00%
Salary Escalation - Up by 1%	7.70%	7.30%	14.30%	14.10%
Salary Escalation - Down by 1%	-6.80%	-6.60%	-8.80%	-7.90%
Withdrawal Rates - Up by 1%	1.20%	1.60%	3.00%	4.40%
Withdrawal Rates - Down by 1%	-1.40%	-1.80%	-3.50%	-5.10%
Discount Rates - Up by 1%	-6.40%	-6.00%	-9.70%	-9.10%
Discount Rates - Down by 1%	7.30%	6.70%	11.60%	10.90%

39. RELATED PARTY DISCLOSURE

A. Related Party Disclosures:

As per Accounting Standard 18 issued by the Institute of Chartered Accountants of India the company's related parties and transactions are disclosed below:

(i) List of related parties where control exists and with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	Mr. B. M. Bhansali - Managing Director	Key Managerial Personnel
2	Mr. Jayesh B. Bhansali - Executive Director cum CFO	
3	Mr. D. N. Mishra - Company Secretary*	
4	Mr. Ashwin M. Patel - Company Secretary**	
5	Bhansali Nippon A & L Private Limited	Joint Venture Company

* Resigned on 6th October, 2018

** Appointed on 12th November, 2018

B. Transactions with Related Parties

(₹ in lakhs)

Nature of transactions	Joint Venture & Other Enterprises		Key Managerial Personnel	
	2019-20	2018-19	2019-20	2018-19
(i) Remuneration				
(a) Mr. B. M. Bhansali		–	60.00	386.50
(b) Mr. Jayesh B. Bhansali		–	60.00	386.50
(c) Mr. D. N. Mishra	–	–	–	29.40
(d) Mr. Ashwin M. Patel	–	–	46.50	17.37
(ii) Royalty & Commission				
(a) Bhansali Nippon A & L Private Limited	245.59	368.73	–	–

**C. Balance with related parties**

(₹ in lakhs)

Nature of transactions	Joint Venture & Other Enterprises		Key Managerial Personnel	
	2019-20	2018-19	2019-20	2018-19
(i) Other Payables (Salary & Others)				
(a) Mr. B. M. Bhansali	–	–	–	–
(b) Mr. Jayesh B. Bhansali	–	–	–	–
(c) Mr. Ashwin Patel	–	–	–	3.59
(d) Bhansali Nippon A & L Private Limited	51.41	53.57	–	–

40. INCOME TAXES

During the year, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate.

A. Income taxes recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Recognised in Profit and Loss account:		
Current tax		
In respect of the current year	2,043.32	1,711.73
In respect of prior years	7.31	355.80
Deferred tax		
In respect of the current year	(471.95)	1,016.50
Recognised in Other comprehensive income:		
Deferred tax liabilities on Employee benefit Expense	16.03	13.09
Total	1,594.71	3,097.12

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year is as follows:

(₹ in lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Accounting profit before income tax	8,261.14	7,736.79
Statutory income tax rate	25.168%	34.944%
Tax at statutory income tax rate of 25.168%	2,079.16	2,703.54
Tax Effect of:		
Non Deductible business Expenses	287.13	361.76
Deduction on Capital Expenditure	(322.97)	(1,353.57)
Taxes from prior period	7.31	355.80
Deferred tax:		
Property, plant and equipment	(546.83)	994.67
Gratuity and other employee benefit	90.91	34.91
Income taxes recognized in the statement of income	1,594.71	3,097.12

B. Deferred tax Assets and Liabilities

Significant components of deferred tax liabilities/(assets) recognized in the financial statements are as follows:

(₹ in lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Deferred tax liabilities (net)	1,635.17	2,091.09
Total	1,635.17	2,091.09

(₹ in lakhs)

Deferred tax balances in relation to	As at 31 st March, 2019	Recognized/ reversed during the year	As at 31 st March, 2020
Property, plant and equipment	2,292.42	(546.83)	1,745.59
Gratuity and other employee benefit	(201.33)	90.91	(110.42)
Total deferred tax for the year	2,091.09	(455.92)	1,635.17

As per our report of even date attached

For and on behalf of

Azad Jain & Co
Chartered Accountants
F.R.No: 006251C

Rishabh Verdia
Partner
M. No. 400600

Place : Mumbai
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAJ2358

For and on behalf of the Board of Directors

M. C. Gupta
Chairman

Jayesh B. Bhansali
Executive Director cum CFO

Place : Mumbai / Gurugram
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAJ2358

B. M. Bhansali
Managing Director

Ashwin Patel
Company Secretary



INDEPENDENT AUDITORS' REPORT

To,
The Members of

Bhansali Engineering Polymers Limited

Report on the Audit of Consolidated Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of **Bhansali Engineering Polymers Limited** ("the Company") and its jointly controlled entity together referred to as ("the Group") which comprise of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss including other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Opinion

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements and on the other financial information of such jointly controlled entity as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act 2013, as amended ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2020, the consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis of Opinion

3. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 the Institute of Chartered Accountants of India, 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 on the consolidated financial statements.

Key Audit Matters

4. 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 year. 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 audit report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<i>Inventory verification and Valuation</i> Due to the current scenario of Covid-19, the procedures followed for physical verification of the Inventory at various locations of the Company was to be evaluated.	Principal Audit Procedures In view of the significance of matter our auditing procedures included the following: Testing the design, implementation and operating effectiveness of key controls over the verification of Inventory followed by the management. Assessing the valuation methodology used by management and testing the accuracy of the same. Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached on the carrying values of Inventory and associated disclosures. Obtaining third party confirmations wherever necessary. Assessing the various transaction codes of Inventory to identify unusual items.

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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Company, as aforesaid.

In preparing the financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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.

Those respective Board of Directors of the Company included in the Group are also responsible for overseeing the Company's financial reporting process of each Company.

Auditor's responsibilities for the Audit of the Consolidated Financial Statements

6. 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 judgment and maintain professional skepticism 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 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 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 Company 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 Company or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of the Company. For the jointly controlled entity 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 believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (7) of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the 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 Matter

7. The consolidated financial statements also include the Company's share of net profit of ₹ 18.99 lakhs for the year ended 31st March 2020, as considered in the consolidated financial statements, in respect of a jointly controlled entity whose financial statements, other financial information have been audited by other auditor and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entity and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on the reports of such other auditors.

Report on Other Legal & Regulatory Requirements

8. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of jointly controlled entity, as noted in the 'Other matter' paragraph above we report, to the extent applicable, that:
 - a) We/ the other auditors whose report we have relied upon 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 reports of the other auditor;

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the Directors as on 31st March, 2020, taken on record by the Board of Directors of the Company, and the reports of the statutory auditors who are appointed under Section 139 of the Act of the jointly controlled entity, none of the directors of the Group are disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financials control over financial reporting of the Company and its jointly controlled entity and the operative effectiveness of such controls, refer to our separate report in "Annexure I".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the jointly controlled entity, as noted in the 'Other Matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations as at 31st March 2020 on the consolidated financial position of the Group.
 - ii. The Group does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For and on behalf of
Azad Jain & Co
Chartered Accountants
F.R. No.: 006251C

Rishabh Verdia
Partner
M.No.: 400600

Place: Mumbai
Dated: 16th June, 2020
UDIN NO : 20400600AAAAAI7524



Annexure – I to the Independent Auditor’s Report

(Referred to in paragraph 8 (f) under the heading of “Report on Other Legal and Regulatory Requirements” Section of our report of even date)

Report on the Internal Financial Controls under clause (i) of Sub- Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of Bhansali Engineering Polymers Limited as of and for the year ended 31st March,2020 we have audited the internal financial controls over financial reporting of Bhansali Engineering Polymers Limited (“the Company”) and its jointly controlled entity, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and jointly controlled entity are 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 Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed u/s 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls system 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 depends upon the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

OPINION

In our opinion, the Company and its jointly controlled entity has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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 and on behalf of
Azad Jain & Co

Chartered Accountants
F.R. No.: 006251C

Rishabh Verdia
Partner

M. No.: 400600

Place: Mumbai

Dated: 16th June, 2020

UDIN NO : 20400600AAAAAI7524



Consolidated Balance Sheet as at 31st March, 2020

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2020	As at 31 st March, 2019
A. Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	14,952.77	14,343.99
(b) Capital work in progress		151.58	–
(c) Intangible assets	4A	8.76	5.92
(d) Investment in Joint Venture	5	150.84	131.86
(e) Financial assets			
(i) Loans	6 (i)	2,143.70	–
(ii) Other financial assets	7 (i)	415.53	228.83
(f) Other non-current assets	8 (i)	68.21	110.04
Total Non-Current Assets (A)		17,891.39	14,820.64
(2) Current Assets			
(a) Inventories	9	20,835.44	10,012.57
(b) Financial assets			
(i) Trade Receivables	10	15,373.78	22,379.96
(ii) Cash and cash equivalents	11	5,567.63	2,053.11
(iii) Bank balances other than (ii) above	12	759.82	345.19
(iv) Loans	6 (ii)	3,189.85	2,146.04
(v) Other Financial assets	7 (ii)	219.21	704.00
(c) Other current assets	8 (ii)	1,469.93	393.26
Total Current Assets (B)		47,415.66	38,034.13
Total Assets (A) + (B)		65,307.05	52,854.77
B. Equity & Liabilities			
(1) Equity			
(a) Equity share capital	13	1,659.06	1,659.06
(b) Other Equity	14	33,962.13	28,213.05
Total Equity (A)		35,621.19	29,872.12
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other Non Current Financial Liability	15 (i)	43.92	0.30
(b) Long term provisions	16 (i)	377.55	417.89
(c) Deferred tax liabilities (Net)	17	1,635.17	2,091.09
Total Non-Current Liabilities (B)		2,056.64	2,509.28
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	18		
Total Outstanding dues of Micro, Small and Medium Enterprises		–	–
Total Outstanding dues of other than Micro, Small and Medium Enterprises		27,230.74	19,445.95
(ii) Other Current Financial liabilities	15 (ii)	124.10	308.11
(b) Other Current liabilities	19	213.24	632.91
(c) Short term provisions	16 (ii)	61.14	86.40
(d) Current tax liabilities (Net)		–	–
Total Current Liabilities (C)		27,629.22	20,473.37
Total Equity and Liabilities (A) + (B) + (C)		65,307.05	52,854.77

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of

Azad Jain & Co
Chartered Accountants
F.R.No: 006251C

Rishabh Verdia

Partner
M. No. 400600

Place : Mumbai

Dated : 16th June, 2020

UDIN NO : 20400600AAAAA17524

For and on behalf of the Board of Directors

M. C. Gupta
Chairman

B. M. Bhansali
Managing Director

Jayesh B. Bhansali
Executive Director cum CFO

Ashwin Patel
Company Secretary

Place : Mumbai / Gurugram

Dated : 16th June, 2020

UDIN NO : 20400600AAAAA17524

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in lakhs)

Particulars	Note No.	Year ended 31 st March, 2020	Year ended 31 st March, 2019
CONTINUING OPERATIONS			
I. Income:			
Gross Revenue including GST		129,530.37	144,391.19
Less: GST		19,097.35	21,913.20
Revenue from operations (Net of GST)	20	110,433.02	122,477.99
Other Income	21	590.06	689.80
Total Income		111,023.08	123,167.79
II. Expenses:			
Cost of materials consumed	22	59,264.98	69,881.96
Purchase of Traded goods		31,881.99	32,609.92
Changes in inventories of finished goods and stock in trade	23	(1,813.17)	(903.18)
Employee benefits expense	24	2,870.06	3,243.94
Finance costs	25	11.23	121.30
Depreciation and amortization expense	4	951.77	734.00
Other Expenses	26	9,595.08	9,743.06
Total Expenses		102,761.94	115,431.00
III. Profit before share of net profits/(loss) of investment accounted for using the equity method and tax (I-II)			
		8,261.14	7,736.79
IV. Share of net profit/(loss) from Joint Venture accounted for using the equity method			
		18.99	68.43
V. Profit before tax (III+IV)			
		8,280.13	7,805.22
VI. Tax Expense:			
Current Tax		2,050.63	2,067.53
Deferred Tax		(471.95)	1,016.50
Total Tax Expenses		1,578.68	3,084.03
VII. Profit from continuing operations (V-VI)			
		6,701.45	4,721.19
VIII. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(losses) of defined benefit plans	27	63.70	37.47
Income tax on above		(16.03)	(13.09)
Other Comprehensive Income/(Loss), Net of Tax		47.67	24.38
IX. Total Comprehensive Income for the year (VII-VIII)			
		6,749.12	4,745.57
X. Earnings per Equity Share of ₹ 1 each (from continuing Operation):			
Basic (₹)		4.04	2.85
Diluted (₹)		4.04	2.85

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of

Azad Jain & Co
 Chartered Accountants
 F.R.No: 006251C

Rishabh Verdia
 Partner
 M. No. 400600

Place : Mumbai
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAI7524

For and on behalf of the Board of Directors

M. C. Gupta
 Chairman

Jayesh B. Bhansali
 Executive Director cum CFO

Place : Mumbai / Gurugram
Dated : 16th June, 2020
UDIN NO : 20400600AAAAAI7524

B. M. Bhansali
 Managing Director

Ashwin Patel
 Company Secretary

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2020****(A) Equity Share Capital**

(₹ in lakhs)

Particulars	Number of Shares	Amount
At April 1, 2018	165,905,640	1,659.06
Changes in Equity Share Capital during the year	-	-
At March 31, 2019	165,905,640	1,659.06
Changes in Equity Share Capital during the year	-	-
At March 31, 2020	165,905,640	1,659.06

(B) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Total
	Retained Earnings (Note 14)	General reserve (Note 14)	Securities premium (Note 14)	
Balance as at April 1, 2018	20,865.51	225.00	2,977.00	24,067.51
Profit for the Year	4,721.19	-	-	4,721.19
Other comprehensive income/(loss) for the year	24.38	-	-	24.38
Total Comprehensive Income	4,745.57	-	-	4,745.57
Final Dividends Paid	(497.72)	-	-	(497.72)
Dividend distribution tax	(102.31)	-	-	(102.31)
Balance as at 31st March, 2019	25,011.05	225.00	2,977.00	28,213.05
Profit for the Year	6,701.45	-	-	6,701.45
Other comprehensive income/(loss) for the year	47.67	-	-	47.67
Total comprehensive Income	6,749.12	-	-	6,749.12
Final Dividends Paid	(829.53)	-	-	(829.53)
Dividend distribution tax	(170.51)	-	-	(170.51)
Balance as at 31st March, 2020	30,760.13	225.00	2,977.00	33,962.13

As per our report of even date attached

For and on behalf of
Azad Jain & Co
Chartered Accountants
F.R.No: 006251C

Rishabh Verdia

Partner
M. No. 400600

Place : Mumbai

Dated : 16th June, 2020

UDIN NO : 20400600AAAAAI7524

For and on behalf of the Board of Directors

M. C. Gupta
Chairman

Jayesh B. Bhansali
Executive Director cum CFO

Place : Mumbai/Gurugram

Dated : 16th June, 2020

UDIN NO : 20400600AAAAAI7524

B. M. Bhansali
Managing Director

Ashwin Patel
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March, 2020

(₹ in lakhs)

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Cash Flows from Operating Activities		
Profit before tax as per statement of profit and loss	8,261.14	7,736.79
Adjustments to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	946.74	719.45
Amortisation of Intangible Assets	5.04	14.55
Profit on Disposal/Write Off of Fixed Assets (Net)	(0.21)	(9.34)
Net (gain)/loss on sale of investments	(111.84)	(21.88)
Interest income	(437.14)	(301.11)
Finance costs	11.23	121.30
Unrealised exchange (gain)/losses	224.70	(419.15)
Operating profit before working capital changes	8,899.66	7,840.61
Movement in Working Capital:		
Decrease/(increase) in Inventories	(10,822.87)	(2,010.55)
Decrease/(increase) in Trade and other receivables	7,006.18	(3,838.21)
Decrease/(increase) in bank balance other than cash and cash equivalents	(414.63)	11.89
Decrease/(increase) in other non-current financial assets	(186.70)	(31.17)
Decrease/(increase) in other current financial assets	551.54	(658.49)
Decrease/(increase) in Other current assets	(1,076.67)	91.55
Decrease/(increase) in Other non current assets	(25.03)	-
Increase/(Decrease) in Trade payable	7,560.09	7,290.37
Increase/(Decrease) in Provision	(1.90)	52.26
Increase/(Decrease) in other current financial liabilities	(184.01)	12.90
Increase/(Decrease) in other non current financial liabilities	43.62	-
Increase/(Decrease) in Other current liabilities	(419.67)	(160.13)
Cash generated from/(used in) operations	10,929.61	8,601.02
Direct taxes paid, net of refunds	(2,117.38)	(3,254.49)
Net cash flow from/(used in) operating activities (A)	8,812.23	5,346.53
Cash flows from investing activities		
Purchase of Property, plant and equipment including CWIP	(1,650.36)	(3,655.21)
Proceeds from sale of Property, plant and equipment	2.45	19.23
Net (gain)/loss on sale of investments	111.84	21.88

**Consolidated Statement of Cash Flow** for the year ended 31st March, 2020 (Contd.)

(₹ in lakhs)

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Loans given	(4,210.76)	(5,300.78)
Loans repaid	1,023.25	3,157.86
Interest income	437.14	301.11
Net Cash from/(used in) Investing Activities (B)	(4,286.44)	(5,455.91)
Cash Flows from Financing Activities		
Finance Costs	(11.23)	(121.30)
Dividend on equity shares (including dividend distribution tax)	(1,000.04)	(600.03)
Net Cash from/(used in) Financing Activities (C)	(1,011.27)	(721.33)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,514.52	(830.71)
Cash and Cash Equivalents at the beginning of period	2,053.11	2,883.82
Cash and Cash equivalents at the end of the period	5,567.63	2,053.11

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Ind AS-7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
- Cash flow from operating activities includes ₹ 191.52 lakhs (31st March, 2019 ₹ 116.43 lakhs) being the expenditure towards Corporate Social Responsibility.
- Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached

For and on behalf of

Azad Jain & Co

Chartered Accountants

F.R.No: 006251C

Rishabh Verdia

Partner

M. No. 400600

Place : Mumbai**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAI7524

For and on behalf of the Board of Directors

M. C. Gupta

Chairman

Jayesh B. Bhansali

Executive Director cum CFO

B. M. Bhansali

Managing Director

Ashwin Patel

Company Secretary

Place : Mumbai/Gurugram**Dated** : 16th June, 2020**UDIN NO** : 20400600AAAAAI7524

Notes to the Consolidated Financial Statement for the year ended 31st March, 2020

1. The consolidated financial statements include results of the following Joint venture company of Bhansali Engineering Polymers Limited

Name of the Company	Country of incorporation	% Shareholding	Consolidated as
Bhansali Nippon A & L Private Limited	India	50%	Joint Venture

1.1 Statement of Compliance

The Consolidated financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and amendments made thereafter and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

1.2 Basis Of Preparation

The Financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

Defined benefit plans-plan assets measured at fair value (refer note 38 of Standalone Financials).

The Financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs, except otherwise stated as per the requirement of Schedule III.

- 1.3 Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the company. Recognising this purpose, the company has disclosed only such notes from the individual financial statements, which fairly represent the needed disclosures.

2. The accounting policies of the parent are best viewed in its standalone financial statements, Note 1-3. Difference in accounting policies followed by the other entity consolidated have been reviewed and no adjustments have been made, since the impact of these differences are not significant.

3. Significant accounting policies followed by joint venture, to the extent, different and unique from the parent.

(The accounting policies of the parent are best viewed in its standalone financial statements, Note 1-3).

Bhansali Nippon A & L Private Limited.

(a) Depreciation & Amortisation

In respect of fixed assets acquired during the year, depreciation / amortization is charged on a written down basis so as to write-off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation. Assets individually costing up to Rs. 5,000 are fully depreciated in the year of purchase. Depreciation on additions/deletion is provided on pro-rata basis from/up to the date of such addition/ deletions.

(b) Investment in joint venture

Investments in joint Venture is accounted as per the equity method prescribed in Ind AS 28-Investments in Associates and Joint Ventures.

(c) Retirement and other employee benefits

In respect of Company's contribution towards statutory dues of employees such as Provident Fund, ESIC, Super Annuation etc. the same is not applicable due to insignificant number of employees during the year. Similarly remeasurements comprising of actual gains and losses of Leave encashment and Gratuity is not recognised in the Balance sheet since there is no liability towards the same.



NOTE 4: PROPERTY PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Freehold land	Leasehold land	Buildings	R & D-Buildings	Plant and machinery	R & D-Plant & Machinery & Equipments	Furniture, Fixtures & Office Equipments	Vehicles	Total
Gross Carrying Cost									
As at April 1, 2018	14.85	140.99	1,977.08	–	7,728.68	–	541.36	321.00	10,723.96
Additions	–	–	52.27	715.50	2,071.74	1,125.82	290.17	93.88	4,349.38
Disposals	–	–	–	–	–	–	–	(16.99)	(16.99)
Balance as at March 31, 2019	14.85	140.99	2,029.35	715.50	9,800.42	1,125.82	831.53	397.89	15,056.35
Additions	–	–	53.56	3.33	1,321.96	27.65	137.82	13.52	1,557.84
Transfers	–	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	(2.53)	(2.53)
Balance as at March 31, 2020	14.85	140.99	2,082.91	718.83	11,122.38	1,153.47	969.35	408.88	16,611.66
Accumulated Depreciation									
As at April 1, 2018									
Charge for the Year 2018-19	–	–	75.98	4.11	468.86	10.10	99.22	61.18	719.45
Disposals	–	–	–	–	–	–	–	(7.09)	(7.09)
Balance as at March 31, 2019	–	–	75.98	4.11	468.86	10.10	99.22	54.09	712.36
Charge for the Year	–	–	78.52	22.66	627.02	54.26	106.56	57.72	946.74
Disposals	–	–	–	–	–	–	–	(0.21)	(0.21)
Balance as at March 31, 2020	–	–	154.50	26.77	1,095.88	64.36	205.78	111.60	1,658.89
Net Block									
As at March 31, 2020	14.85	140.99	1,928.41	692.06	10,026.50	1,089.11	763.57	297.28	14,952.77
As at March 31, 2019	14.85	140.99	1,953.37	711.39	9,331.56	1,115.72	732.31	343.80	14,343.99

NOTE 4A: OTHER INTANGIBLE ASSETS

Computer Software & Licenses

(₹ in lakhs)

Particulars	Total
Gross Carrying Cost	
As At April 1, 2018	17.44
Additions	3.03
Disposals/Transfers	–
Balance as at March 31, 2019	20.47
Additions	7.88
Disposals/Transfers	–
Balance as at March 31, 2020	28.35
Accumulated Amortisation	
As At April 1, 2018	
Charge for the Year	14.55
Disposals/Transfers	–
Balance as at March 31, 2019	14.55
Charge for the Year	5.04
Disposals/Transfers	–
Balance as at March 31, 2020	19.59
Net Block	
Balance as at March 31, 2020	8.76
Balance as at March 31, 2019	5.92

NOTE 5: NON CURRENT INVESTMENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Investments consist of the following:		
NON CURRENT INVESTMENTS		
(i) Investments- Non-current - Valued as per Equity method		
Fully paid unquoted investments of Joint Venture Company		
15,00,000 (Previous Year: 15,00,000) Equity Shares of ₹ 10 each fully paid up of Joint Venture Company Bhansali Nippon A&L Pvt Ltd	150.84	131.86
Total Value of Investment (unquoted)	150.84	131.86

NOTE 6: LOANS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Loans (unsecured) consist of the following:		
(i) Long-term loan		
Considered good unless otherwise stated		
(a) Loans & Advances to Employees	-	-
(b) Loans Receivables	2,143.70	-
(c) Loans Receivables which have significant increase in credit risk	-	-
(d) Loans Receivables -credit impaired	-	-
	2,143.70	-
(ii) Short-term loans		
Considered good unless otherwise stated		
(a) Loans & advances to employees	4.05	2.34
(b) Loans Receivables	3,185.80	2,143.70
(c) Loans Receivables which have significant increase in credit risk	-	-
(d) Loans Receivables -credit impaired	-	-
	3,189.85	2,146.04

NOTE 7: OTHER FINANCIAL ASSETS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other financial assets consist of the following:		
(i) Non-current financial assets		
(a) Security deposits	415.53	228.83
	415.53	228.83
(ii) Current financial assets		
(a) Security deposits	-	56.08
(b) Advances recoverable in cash for value to be received	92.83	467.23
(c) Advance Income Tax	107.93	174.69
(d) Interest accrued on deposits	18.45	6.00
	219.21	704.00

**NOTE 8: OTHER ASSETS**

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other assets consist of the following:		
(i) Other non-current assets		
Considered good		
(a) Prepaid expenses	–	–
(b) Balance with statutory/government authorities	25.03	–
(c) Capital advance in kind or for value to be received	43.18	110.04
	68.21	110.04
(ii) Other current assets		
Considered good unless otherwise stated		
(a) Prepaid expenses	90.25	63.57
(b) Balance with statutory/government authorities	498.58	92.71
(c) Advance to suppliers	881.10	236.98
	1,469.93	393.26

NOTE 9: INVENTORIES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
(Valued at lower of cost and net realisable value)		
Finished Goods	1,763.91	628.48
Stock-in-Process	2,467.21	1,789.47
Raw Materials	1,895.94	2,184.32
Stock at Port including Goods in Transit	14,184.90	4,849.30
Packing Materials	44.56	44.49
Stores & Spares	478.92	516.51
	20,835.44	10,012.57

NOTE 10: TRADE RECEIVABLES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Trade Receivables	15,373.78	22,379.96
Less: Allowances recognised for expected credit losses	–	–
	15,373.78	22,379.96
Break-up for security details of Trade Receivables		
Secured, considered good	–	–
Unsecured, considered good	15,331.39	22,379.96
Trade Receivables which have significant increase in credit risk	42.39	–
Trade Receivables -credit impaired	–	–
	15,373.78	22,379.96
Allowances for doubtful receivables	–	–
	15,373.78	22,379.96

There are no trade or other receivable due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

NOTE 11: CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Cash and cash equivalents consist of the following:		
(i) Balances with banks		
In current accounts	1,853.86	2,045.46
In Fixed Deposits with Bank	3,698.97	–
(ii) Cash on hand	14.80	7.65
	5,567.63	2,053.11

NOTE 12: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
(i) Earmarked balance towards dividend#	54.80	48.19
(ii) Margin Money with banks	705.02	297.00
	759.82	345.19

These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

NOTE 13: SHARE CAPITAL

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Authorised Share Capital		
40,00,00,000 (P.Y. 20,00,00,000) Equity Shares of ₹ 1/- each	4,000.00	2,000.00
	4,000.00	2,000.00
Issued, subscribed and fully paid-up		
16,59,05,640 (P.Y. 16,59,05,640) Equity Shares of ₹ 1/- each fully paid up	1,659.06	1,659.06
	1,659.06	1,659.06

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31 st March, 2020		As at 31 st March, 2019	
	No's	(₹ in lakhs)	No's	(₹ in lakhs)
At the beginning of the Year	165,905,640	1,659.06	165,905,640	1,659.06
Changes during the year				
Outstanding at the end of the period	165,905,640	1,659.06	165,905,640	1,659.06

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 st March, 2020		As at 31 st March, 2019	
	No's	% holding in the class	No's	% holding in the class
Mr. B. M. Bhansali	16,384,887	9.88%	16,384,887	9.88%
Bhansali International Pvt Ltd	16,105,183	9.71%	16,105,183	9.71%
Sheraton Properties & Finance Limited	11,734,000	7.07%	11,734,000	7.07%
Mr. Jayesh Bhansali	11,561,945	6.97%	11,561,945	6.97%
Bentley Commercial Enterprises Limited	8,883,043	5.35%	8,883,043	5.35%
Speedage Commercials Limited	8,384,009	5.05%	8,384,009	5.05%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) Dividend paid and proposed

	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend on equity shares declared and paid:		
Final Dividend for the year ended March 31, 2019: ₹ 0.50 per share (Previous year: ₹ 0.30 per share)	829.53	497.72
Dividend distribution tax on final dividend	170.51	102.31
Date of approval (date of Annual General Meeting)	September 29, 2019	September 29, 2018
Proposed Dividend on equity shares		
Final Dividend for the year ended March 31, 2020: ₹ 0.50 per share (Previous year: ₹ 0.50 per share)	829.53	829.53
Dividend distribution tax on proposed dividend	—	170.51

* Dividend declared on September 29, 2019 was paid on October 1, 2019.

NOTE 14: OTHER EQUITY

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Securities premium account		
Opening balance	2,977.00	2,977.00
Closing balance	2,977.00	2,977.00
General reserve		
Opening balance	225.00	225.00
Closing balance	225.00	225.00
Retained Earning		
Opening balance	25,011.05	20,865.51
Profit for the period	6,701.45	4,721.19
Dividend for the year ended March 31	(829.53)	(497.72)
Dividend distribution tax	(170.51)	(102.31)
Other comprehensive income/ (loss)	47.67	24.38
Closing balance	30,760.13	25,011.05
Total Other Equity	33,962.13	28,213.05

Nature and purpose of reserves
(i) Securities premium account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

(ii) General reserve

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(iii) Retained Earning

Retained earnings are the profits that the Group has earned till date, less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

NOTE 15: OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Other financial liability consist of the following:		
(i) Other Non Financial Current Liabilities		
Deposit	0.30	0.30
Unclaimed Dividend	43.62	-
	43.92	0.30
(ii) Other Financial Current Liabilities		
Employee Dues	88.80	241.87
Unclaimed Dividend	11.18	48.19
Other Dues	24.12	18.05
	124.10	308.11

NOTE 16: PROVISIONS

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Provisions consist of the following:		
(i) Non-current provision		
(a) Provision for gratuity	270.74	335.36
(b) Provision for leave benefits	106.81	82.53
	377.55	417.89
(ii) Current provision		
(a) Provision for gratuity	55.25	76.59
(b) Provision for leave benefits	5.89	9.81
	61.14	86.40

NOTE 17: DEFERRED TAX LIABILITIES (NET)

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Deferred tax liabilities:		
Property, Plant and Equipment	1,745.59	2,292.42
Deferred tax liabilities (Net)	1,745.59	2,292.42
Deferred tax assets		
Gratuity and other employee benefits	110.42	201.33
Deferred tax liabilities (Net)	110.42	201.33
	1,635.17	2,091.09

**NOTE 18: TRADE PAYABLES**

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Trade payable consist of the following:		
Dues to micro and small enterprises	—	—
Dues to Others		
Trade payables to others	27,230.74	19,445.95
Trade payables to Related parties	—	—
	27,230.74	19,445.95

NOTE 19: OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at 31 st March, 2020	As at 31 st March, 2019
Statutory Dues	213.24	632.91
	213.24	632.91

NOTE 20: REVENUE FROM OPERATIONS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Sale of finished goods	91,980.76	106,077.46
Trading sales	37,549.61	38,313.73
	129,530.37	144,391.19
Less: GST	19,097.35	21,913.20
Net sales (Net of GST)	110,433.02	122,477.99

NOTE 21: OTHER INCOME

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Interest Income on		
Bank deposits	22.69	58.14
Others	414.45	242.97
Profit on Sales of Assets	0.41	9.34
Bad Debts Recovered	10.24	3.20
Profit on Sale of Investment	111.84	21.88
Other non-operating income	30.63	354.27
	590.26	689.80

NOTE 22: COST OF MATERIALS CONSUMED

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Raw Material		
Inventory at the beginning of the year	7,033.62	5,971.50
Purchases	68,312.20	70,944.08
	75,345.82	76,915.58
Less: Inventory at the end of the year	16,080.84	7,033.62
	59,264.98	69,881.96

NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Inventories at the end of the year:		
Finished goods	1,763.91	628.48
Stock-in-trade	2,467.21	1,789.47
	4,231.12	2,417.95
Less: Inventories at the beginning of the year:		
Finished goods	628.48	116.80
Stock-in-trade	1,789.47	1,397.97
	2,417.95	1,514.77
	(1,813.17)	(903.18)

NOTE 24: EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Salaries, wages and bonus	2,545.91	2,944.08
Contributions to Provident Fund etc.	137.33	116.13
Staff welfare expenses	186.82	183.73
	2,870.06	3,243.94

NOTE 25: FINANCE COSTS

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Interest Expenses	1.23	65.20
Finance & Bank Charges	10.00	56.10
	11.23	121.30

**NOTE 26: OTHER EXPENSES**

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Stores and Spares Consumed	525.71	507.97
Packing Materials Consumed	429.73	485.44
Power & Fuel	3,290.09	3,118.97
Rent, Rates & Taxes	1,252.93	878.70
Insurance	223.98	148.92
Travelling & Conveyance	477.92	453.33
Repairs & Maintenance:		–
Buildings	16.57	21.08
Machinery	55.22	98.10
Others	64.31	79.93
Printing & Stationery	20.99	25.43
Postage, Telephone, Fax etc.	47.85	47.89
Miscellaneous Expenses	416.63	449.30
Donation	–	35.75
Research & Development Expenses	227.63	124.04
Legal & Professional Charges	106.15	89.67
Auditors' Remuneration:		
Audit Fees	4.50	4.50
Tax Audit Fees	–	0.45
Taxation Matters	–	0.30
Review Audit Fees and Certification	–	0.50
Directors' Sitting Fees	7.70	9.50
Bad Debts	19.88	–
Royalty & Commission	260.91	368.73
Foreign Exchange Fluctuation	148.17	837.19
Freight & Forwarding	1,806.37	1,835.34
CSR Expenses*	191.52	116.43
Cash discount	0.32	5.60
	9,595.08	9,743.06

* During the year, the Company was required to spend ₹ 191.50 lakhs (P.Y. ₹ 155.56 lakhs), out of which the Company has incurred CSR expenses of ₹ 191.52 lakhs (P.Y. ₹ 116.43).

NOTE 27: COMPONENTS OF OTHER COMPREHENSIVE INCOME

(₹ in lakhs)

	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Re-measurement gain / (loss) on defined benefit plans as per Ind AS 19	(63.70)	(37.47)
	(63.70)	(37.47)

28. DETAIL OF JOINT VENTURE AND COMPOSITION OF GROUP

Following Joint venture have been considered in the preparation of consolidated financial statements.

(₹ in lakhs)

Sr. No.	Name of the Company	Country of Incorporation	Principal activity	Proportion of ownership Interest (%)	
				As at 31 st March, 2020	As at 31 st March, 2019
1	Bhansali Nippon A & L Private Limited	India	Sale support service	50%	50%

28.1 Financial information of Bhansali Nippon A & L Private Limited

(₹ in lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Non current assets	47.76	40.44
Current assets	281.65	248.91
Current liabilities	27.70	25.63
Equity attributable to the owners of the equity	301.71	263.72

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Revenue	253.85	340.01
Expenses	197.12	214.58
Profit/(Loss) for the year	37.98	136.91
Other comprehensive income for the year	–	–



29. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013

As on 31st March 2020

Name of the entities in the Group	Net assets, i.e. total assets minus total liabilities as at March 31, 2020	Share of profit or loss for the year ended March 31, 2020	Share in other Comprehensive Income/(Loss) for the year ended March 31, 2020	Share in total Comprehensive Income/(Loss) for the year ended March 31, 2020
	As % of consolidated net assets (₹ in lakhs)	As % of consolidated profit or loss (₹ in lakhs)	As % of consolidated other comprehensive income/(loss) (₹ in lakhs)	As % of total comprehensive income/(loss) (₹ in lakhs)
Parent Group				
Bhansali Engineering Polymers Limited	100.00%	99.72%	100.00%	99.72%
	35,620.35	6,682.46	47.67	6,730.13
Joint Venture (Investment as per the equity method):-				
Indian				
Bhansali Nippon A & L Private Limited	0.00%	0.28%	0.00%	0.28%
	0.84	18.99	–	18.99
Grand Total	100.00%	100.00%	100.00%	100.00%
	35,621.19	6,701.45	47.67	6,749.12

As on 31st March 2019

Name of the entities in the Group	Net assets, i.e. total assets minus total liabilities as at March 31, 2019	Share of profit or loss for the year ended March 31, 2019	Share in other Comprehensive Income for the year ended March 31, 2019	Share in total Comprehensive Income for the year ended March 31, 2019
	As % of consolidated net assets (₹ in lakhs)	As % of consolidated profit or loss (₹ in lakhs)	As % of consolidated other comprehensive income/(loss) (₹ in lakhs)	As % of total comprehensive income/(loss) (₹ in lakhs)
Parent Group				
Bhansali Engineering Polymers Limited	100.06%	98.55%	100.00%	98.56%
	29,890.26	4,652.76	24.38	4,677.14
Joint Venture (Investment as per the equity method):-				
Indian				
Bhansali Nippon A & L Private Limited	-0.06%	1.45%	0.00%	1.44%
	(18.14)	68.43	–	68.43
Grand Total	100.00%	100.00%	100.00%	100.00%
	29,872.12	4,721.19	24.38	4,745.57

Form AOC - 1

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

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1.	Name of Associates/Joint Ventures	Bhansali Nippon A&L Private Limited
2.	Latest Audited Balance Sheet Date	31 st March, 2020
3.	Shares of Associate/Joint Ventures held by the company on the year end	
	a. No. of Shares held	*15,00,000 (Fifteen lakh Equity Shares)
	b. Amount of Investment in Associates/Joint Venture	₹ 1,50,00,000 (Rupees One Crore Fifty lakh)
	c. Extent of Holding (%)	50 (Fifty)
4.	Description of how there is significant influence	The Company holds 50% Equity Shares of the Joint Venture Company. As per the Joint Venture Agreement dated 11 th May, 2013, the Company has a right to appoint 50% of the Directors on the Board of the Joint Venture Company including its Chairman.
5.	Reason why the Associate/Joint Venture is not consolidated	Not Applicable
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 1,50,85,288 (50% share)
7.	Profit for the year (FY 2019-20)	
	i. Considered in Consolidation	₹ 18.99 lakh
	ii. Not Considered in Consolidation	Not Applicable

*Out of aforesaid 15 lakh Equity Shares, Bhansali International Pvt. Ltd. holds One Equity share as nominee shareholder of the Company.

1.	Names of Associates or Joint Ventures which are yet to commence operations	None
2.	Names of Associates or Joint Ventures which have been liquidated or sold during the year	None

As the Company has no Subsidiary Company, 'Part A' is not applicable.

As per our report of even date
For Azad Jain & Co

Firm Regn. No: 006251C

Rishabh Verdia

Partner

M. No. 400600

Place : Mumbai

Dated : 16th June, 2020

UDIN NO : 20400600AAAAA17524

For and on behalf of the Board of Directors

M. C. Gupta

Chairman

B. M. Bhansali

Managing Director

Jayesh B. Bhansali

Executive Director cum CFO

Ashwin M. Patel

Company Secretary

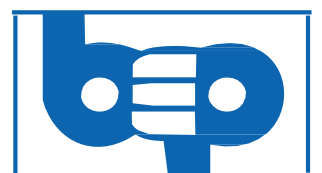
Place : Mumbai/Gurugram

Dated : 16th June, 2020

UDIN NO : 20400600AAAAA17524

SOME APPLICATIONS OF “OUR PRODUCTS”





(An ISO 9001-2015 Company)

bhansali ENGINEERING POLYMERS LIMITED