



**बामर लॉरी एण्ड कं. लिमिटेड**  
(भारत सरकार का एक उद्यम)

**Balmer Lawrie & Co. Ltd.**  
(A Government of India Enterprise)

21, नेताजी सुभाष रोड, कोलकाता-700 001 (भारत)  
फोन : (91) (033) 2222-5329 / 5314 / 5209  
ई-मेल : bhavsar.k@balmerlawrie.com

21, Netaji Subhas Road, Kolkata - 700 001 (INDIA)  
Phone : (91) (033) 2222 5329 / 5314 / 5209  
E-mail : bhavsar.k@balmerlawrie.com  
CIN : L15492WB1924GOI004835

Ref: SECY/SE/2022

Date: 3<sup>rd</sup> September, 2022

To,  
The Secretary,  
National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
Bandra-Kurla Complex  
Bandra (E),  
Mumbai – 400 051

The Secretary,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Company Code: **BALMLAWRIE**

Company Code: **523319**

Dear Sir/ Madam,

**Sub: Submission of the Notice for the 105<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2021-22**

This is further to our letter dated 5<sup>th</sup> August, 2022 intimating that the 105<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company will be held on Tuesday, 27<sup>th</sup> September, 2022 at 12:00 noon (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) in compliance with applicable Circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report of the Company for the Financial Year 2021-22 along with the Notice of the 105<sup>th</sup> AGM of the Company.

The Notice of the AGM and the Annual Report as referred above are also being hosted on the Company's website at <https://www.balmerlawrie.com/pages/annualreport> and on the website of e-voting Agency, National Securities Depository Limited at <https://www.evoting.nsdl.com>.

This is for your information and record.

Thanking You,  
Yours faithfully,

**For Balmer Lawrie & Co. Ltd.**

**Kavita Bhavsar**  
**Company Secretary**

Encl: As above



## Notice of the 105<sup>th</sup> Annual General Meeting

**Notice** is hereby given that the 105<sup>th</sup> Annual General Meeting (AGM) of the Members of Balmer Lawrie & Co. Ltd. will be held on Tuesday, 27<sup>th</sup> September, 2022, at 12 Noon IST through Two-way Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following businesses:

### ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and Auditors thereon and other statements attached thereto along with the comments of Comptroller & Auditor General of India thereon and in this connection to pass the following Ordinary Resolution:**

**"RESOLVED THAT** the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31<sup>st</sup> March, 2022 together with Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31<sup>st</sup> March, 2022 and other statements attached thereto along with the comments of the Comptroller & Auditor General of India thereon, be and are hereby considered and adopted."

2. **To declare dividend for the Financial Year ended 31<sup>st</sup> March, 2022 and, in this connection, to pass the following Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the recommendation of the Board of Directors, dividend at the rate of Rs.6.50 (Rupees Six and Paise Fifty only) per Equity Share for the Financial Year ended 31<sup>st</sup> March, 2022 be and is hereby declared on 17,10,03,846 Equity Shares of the paid-up value of Rs. 10/- (Rupees Ten) each of the Company and the same be paid out of the profits of the Company for the Financial Year ended 31<sup>st</sup> March, 2022."

3. **To appoint a director in place of Shri Sandip Das (DIN 08217697), a director who retires by rotation and being eligible, offers himself for reappointment and in this connection to pass the following Ordinary Resolution:**

**"RESOLVED THAT** Shri Sandip Das (DIN 08217697), a Director retiring by rotation, be and is hereby reappointed as a Director of the Company whose period of office shall be subject to retirement by rotation."

4. **To fix remuneration of the Statutory Auditors (including Branch Auditors) for the Financial Year 2022-23 and in this connection to pass the following Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors be and is hereby authorized to determine the amount of remuneration payable to the Statutory Auditors (including Branch Auditors) as and when appointed under Section 139(5) and other applicable provisions of the Companies Act, 2013 by the Comptroller & Auditor General of India including reimbursement of out-of-pocket expenses, if any, incurred by the said Auditors in connection with the audit of annual accounts of the Company for the Financial Year 2022-23."

### SPECIAL BUSINESS:

**The Special Business as appearing under Item Nos. 5, 6, 7, 8 and 9 are considered to be unavoidable by the Board and hence, the Members are requested to consider and if thought fit, to pass the following Ordinary Resolutions:**

5. **Appointment of Shri Adika Ratna Sekhar (DIN 08053637) as Chairman and Managing Director and fixation of terms of appointment :**

**"RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 read with allied Rules and in line with the recommendation of the Nomination and Remuneration Committee & the letter bearing reference no. CA-31024/2/2020-PNG (36125) dated 3<sup>rd</sup> November, 2021 received from the Ministry of Petroleum & Natural Gas, Government of India, being the Administrative Ministry and the Company having received a notice in writing, from a Member proposing his candidature for the office of Director, approval be and is

hereby accorded for appointment of Shri Adika Ratna Sekhar (DIN 08053637) as the Chairman and Managing Director of the Company in the pay scale of Rs. 1,80,000-3,20,000 with effect from date of his assumption of charge, i.e. 3<sup>rd</sup> November, 2021 till the date of his superannuation, i.e. 30<sup>th</sup> June, 2024, or until further orders from the Administrative Ministry, whichever is earlier on such terms and conditions as stated in letters bearing reference no. CA-31024/2/2020-PNG (36125) dated 3<sup>rd</sup> November, 2021 and 29<sup>th</sup> December, 2021 received from the Administrative Ministry and whose period of office shall be subject to retirement of directors by rotation.”

6. **Appointment of Dr. Vandana Minda Heda (DIN 09402294) as Non-Executive Independent Director and fixation of terms of appointment :**

“**RESOLVED THAT** Dr. Vandana Minda Heda (DIN 09402294), who was appointed as an Additional Director in the category of an Independent Director as per the provisions of the Companies Act, 2013 and allied Rules, by the Board of Directors on 26<sup>th</sup> November, 2021 in line with the recommendation of the Nomination and Remuneration Committee and who holds office upto the 105<sup>th</sup> Annual General Meeting of the Company and the Company having received a notice in writing, from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director for a period of three years with effect from the date of notification of her appointment i.e. from 8<sup>th</sup> November, 2021 or until further orders from the Administrative Ministry on such other terms and conditions as contained in letter No. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 received from the Ministry of Petroleum & Natural Gas, Government of India and her appointment letter dated 1<sup>st</sup> December, 2021.”

7. **Appointment of Shri Rajeev Kumar (DIN 09402066) as Non-Executive Independent Director and fixation of terms of appointment:**

“**RESOLVED THAT** Shri Rajeev Kumar (DIN 09402066), who was appointed as an Additional Director in the category of an Independent Director as per the provisions of the Companies Act, 2013 and allied Rules, by the Board of Directors on 26<sup>th</sup> November, 2021 in line with the recommendation of the Nomination and Remuneration Committee and who holds office upto the 105<sup>th</sup> Annual General Meeting of the Company and the Company having received a notice in writing, from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director for a period of three years with effect from the date of notification of his appointment i.e. from 8<sup>th</sup> November, 2021 or until further orders from the Administrative Ministry on such other terms and conditions as contained in letter No. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 received from the Ministry of Petroleum & Natural Gas, Government of India and his appointment letter dated 1<sup>st</sup> December, 2021.”

8. **Appointment of Shri R. M. Uthayaraja (DIN: 09678056) as Director (Manufacturing Businesses) and fixation of terms of appointment:**

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 read with allied Rules and the recommendation of the Nomination and Remuneration Committee and letter bearing reference no. CA-31024/1/2019-PNG (30909) dated 14<sup>th</sup> July, 2022 received from Ministry of Petroleum & Natural Gas, Government of India, Administrative Ministry, and the Company having received a Notice in writing, from a Member proposing his candidature for the office of Director, approval be and is hereby accorded for appointment of Shri R. M. Uthayaraja (DIN: 09678056), as a Wholetime Director to the post of Director (Manufacturing Businesses), in the scale of pay of Rs. 1,60,000 – 2,90,000/- (revised) for a period of five years with effect from the date of his assumption of charge of the post i.e. 14<sup>th</sup> July 2022, or till the date of his superannuation, or until further orders from the Administrative Ministry, whichever is the earliest and whose period of office shall be subject to retirement of directors by rotation and other terms & conditions as contained in letter no. CA-31024/1/2019-PNG (30909) dated 14<sup>th</sup> July, 2022 from the Administrative Ministry.”

9. **Ratification of remuneration of Cost Auditor for the Financial Year 2022-23:**

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of M/s. S. Dhal & Co., Cost Accountants in Practice, (Firm Registration No.000197) whose appointment and remuneration was recommended by the Audit Committee and approved by the Board, as Cost Auditor to conduct the audit of the Cost Records maintained by the Company for the Financial Year ending on 31<sup>st</sup> March, 2023, at Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand only) (inclusive of all fees) be and is hereby ratified.

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

**Registered Office:**  
Balmer Lawrie & Co. Ltd.  
21, Netaji Subhas Road,  
Kolkata - 700 001.

**By Order of the Board of Directors**  
**Kavita Bhavsar**  
**Company Secretary**  
**FCS No: 4767**

Date: 5<sup>th</sup> August, 2022  
Place: Kolkata

## NOTES

**A. Annual General Meeting shall be held through video conferencing or other audio-visual means:**

1. In view of the ongoing COVID-19 pandemic, social distancing is a norm to be followed. As per Ministry of Corporate Affairs (“MCA”) General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 (“the MCA Circulars”) this AGM is scheduled to be held through VC/OAVM and voting for items to be transacted in the Notice to this AGM shall be only through remote electronic voting process or electronic voting during the AGM. Hence, physical attendance of the Members is not required at the venue of the 105<sup>th</sup> AGM.
2. Further, as per the MCA Circulars and SEBI circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (referred to as “the SEBI Circular”), relaxation has been extended upto 31<sup>st</sup> December, 2022 from Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) which requires sending hard copy of annual report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses. The Notice calling the AGM and the Annual Report shall be uploaded on the website of the Company. The Notice shall be accessible on the websites of the Stock Exchanges i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com) and the Notice of AGM shall also be available on the website of NSDL (agency for providing the e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. The cut-off date for ascertaining the Members who would be entitled to cast their vote electronically is Tuesday, 20<sup>th</sup> September, 2022 (end of day).
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, as per SEBI Circular and the MCA Circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM as AGM is being held through VC/OAVM, and the physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the 105<sup>th</sup> AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.**
5. The Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-Voting as per MCA Circulars. Pursuant to Sections 112 and 113 of the Companies Act, 2013, corporate Members are requested to send a certified copy of the Board Resolution/Authority Letter to the Scrutinizer by email at [csbinita.tca@gmail.com](mailto:csbinita.tca@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) authorizing their representative to attend and vote on their behalf.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The Members can join the AGM through VC/OAVM 45 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first serve basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
8. The recorded transcript of the forthcoming AGM scheduled to be held on Tuesday, 27<sup>th</sup> September, 2022 shall also be made available on the website of the Company at [www.balmerlawrie.com](http://www.balmerlawrie.com) as soon as possible after the AGM is concluded.
9. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com) on or before Thursday, 22<sup>nd</sup> September, 2022 (end of day).
10. Members seeking any information with regard to any item provided in the Notice of AGM including the Annual Accounts and any queries relating to the business/operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number/folio number, PAN and mobile number, on or before Thursday, 22<sup>nd</sup> September, 2022 (end of day) at [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com) and responses to such queries will be appropriately addressed by the Chairman of the Meeting. Due to technical reasons, the length of a question may possibly be limited to a certain number of characters. However, the number of questions a Member or its authorized representative can submit will not be affected thereby. The Management, at its due discretion, will decide, whether and how it will answer the questions. It can summarize questions and select, in the interest of the other Members, meaningful questions.

11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
12. In terms of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, though the Statutory Auditors of a Government Company are appointed by the Comptroller & Auditor General of India, the remuneration of the Statutory Auditors is fixed at the General Meeting or in such manner as may be determined therein. Therefore, item on fixation of remuneration of the Statutory Auditors has been included in the Notice of the 105<sup>th</sup> AGM under item no. 4 of the Ordinary Business which requires passing of Resolution by simple majority.
13. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with circular no 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 of MCA, the matters of Special Business as appearing at Item Nos. 5, 6, 7, 8 and 9 of the accompanying Notice are considered to be unavoidable by the Board and hence, forms part of this Notice.
14. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in respect of Item Nos. 5, 6, 7, 8 and 9 to be transacted at the AGM of the Company are annexed hereto. All documents referred in the notice of the AGM and the explanatory statement including Statutory Registers shall be available electronically for inspection by the Members during AGM upon Login-in to NSDL e-voting system at <https://www.evoting.nsdl.com>.
15. Brief particulars of the Directors, proposed to be re-appointed / appointed, as mandated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), is annexed hereto and forms part of this Notice.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the AGM. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of Article 65 of Articles of Association of the Company, be deemed to be members registered jointly in respect thereof.
17. The Board of Directors at its meeting held on 27<sup>th</sup> May, 2022, had recommended a dividend of Rs. 6.50 (Rupees Six and Paise Fifty Only) per Equity Share of the face value of Rs.10/- each, fully paid-up. If the dividend as recommended by the Board of Directors is declared at the AGM, dividend shall be paid, subject to deduction of income-tax at source wherever applicable, to those Members of the Company who are holding shares of the Company as on Tuesday, 20<sup>th</sup> September, 2022 (end of day) within the statutory time limit of 30 days from the date of such declaration.

### Instructions on Tax Deductible at Source on Dividend:

18. As per provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1<sup>st</sup> April, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates specified u/s 194 of the Income Tax Act, 1961.

### For Resident Shareholders:

- A. Where, the Permanent Account Number (PAN) is available and is valid:
  - i. Tax shall be deducted at source in accordance with the provisions of Section 194 of the Income Tax Act, 1961 at 10% (subject to change) on the amount of dividend payable.
  - ii. No tax shall be deducted in the case of a resident individual shareholder, if:
    - a. the amount of such dividend in aggregate paid or likely to be paid during the Financial Year does not exceed Rs. 5,000; OR
    - b. the shareholder provides duly signed Form 15G or Form 15H (as applicable) not later than Friday, 16<sup>th</sup> September, 2022, (end of day) to the Registrar and Share Transfer Agent of the Company (RTA), provided that all the prescribed eligibility conditions are met.
- B. Where the PAN is either not available or is invalid, tax shall be deducted at the prescribed rate or at a rate of 20% (subject to change), whichever is higher as per Section 206AA of the Income Tax Act, 1961.

Shareholders may also submit any other documents to the Company's registrar and share transfer agent, KFin Technologies Limited (formerly known as KFin Technologies Private Limited) as prescribed under the Income Tax Act, 1961 to claim a lower / Nil withholding tax.

Please note that as per Section 206AB of the Income Tax Act, 1961 the tax shall be deductible at the higher rates prescribed under the provision if the following conditions are satisfied:

- Deductee (shareholder) has not filed the return of income for both F.Y. 2020-21 and F.Y. 2021-22.
- The due date to file such return of income, as prescribed under section 139, has expired; and
- The aggregate amount of tax deducted and collected at source is Rs. 50,000 or more in each of these 2 previous years.

Also, shareholders who are required to link their Aadhaar number with their PAN in terms of the provisions of Section 139AA (2) of the Income Tax Act, 1961, it is advisable to link their PAN with Aadhaar in order to avoid higher rate of TDS.

So, TDS Rates applicable to Resident Shareholder: -

Shareholders having valid PAN.	10% or as notified by the Government of India
Shareholders not having PAN / valid PAN / PAN not linked with Aadhaar, as applicable.	20% or as notified by the Government of India
Shareholder considered as a specified person in term of section 206AB.	20% or as notified by the Government of India

The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

**For Non-Resident Shareholders:**

- i. Tax is required to be deducted in accordance with the provisions of the Income Tax Act, 1961 at applicable rates in force. As per relevant provisions, tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable.
  - ii. As per the provisions of the Income Tax Act, 1961, the non-resident shareholder may have an option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them. To avail the DTAA benefits, the non-resident shareholder shall furnish the following documents by not later than Friday, 16<sup>th</sup> September, 2022 (end of day) to the RTA of the Company:
    - a. Self-attested copy of Permanent Account Number (PAN), if allotted by the Indian Income Tax Authorities;
    - b. Self-attested Tax Residency Certificate (TRC) issued by the tax authorities of the country of which shareholder is a resident, evidencing and certifying shareholder's tax residency status during the Financial Year 2022-23;
    - c. Completed and duly signed Self-Declaration in Form 10F;
    - d. Self-declaration in the prescribed format certifying on the following points:
      - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2022-23;
      - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
      - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
      - iv. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company and
      - v. Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2022-23.
  - iii. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.
  - iv. Notwithstanding Paragraph 2 above, tax shall be deducted at source @20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors ("FII") and Foreign Portfolio Investors ("FPI"). Such TDS rate shall not be reduced on account of the application of the lower DTAA rate or lower tax deduction order, if any.
19. The Members are requested to update their PAN with the Company's RTA: KFin Technologies Limited (formerly known as KFin Technologies Private Limited) (in case of shares held in physical mode) and with the depositories (in case of shares held in demat mode).

**For All Shareholders**

In accordance with rule 37BA of Income Tax Rules, where shares are held by intermediaries/ stockbrokers, then such intermediaries/ stockbrokers can provide requisite declarations and the details of such beneficial shareholders along with self-declaration that the

shareholders are the beneficial owners to the Registrar and Share Transfer Agent on or before Friday, 16<sup>th</sup> September, 2022. Hence, the TDS will be applied by the Company on the PAN of the beneficial shareholders.

If there is any change in the above information, you are requested to update your records such as tax residential status, permanent account number (PAN) and register your email address, mobile numbers and other details with your relevant depositories through your depository participants in case you are holding shares in dematerialized form and if you are holding shares in physical mode, you are requested to furnish details to the Company's registrar and share transfer agent, KFin Technologies Limited (formerly known as KFin Technologies Private Limited). Please also note that in order to claim credit of TDS deducted by Balmer Lawrie & Co. Limited, it is mandatory to have valid PAN updated at depository's register. The Company shall not be held liable for unavailability of TDS credit due to invalid/incorrect PAN available in depository's record. The Company is obligated to deduct tax at source based on the records available with RTA and no request will be entertained for revision of TDS return.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.

### Unpaid/Unclaimed dividend:

20. Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investor Education and Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company had transferred Rs. 30,42,846/- to IEPF which were belonging to the Members whose dividend were unpaid/ unclaimed for the Financial Year 2013-14.
21. Members are requested to note that the unclaimed dividend amount for the Financial Year ended 31<sup>st</sup> March, 2015 (declared and paid in 2015) will be due for transfer to IEPF on 29<sup>th</sup> October, 2022.
22. Further, pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the Company has uploaded details of unpaid and unclaimed dividend amounts lying with the Company as on 28<sup>th</sup> September, 2021 (date of last Annual General Meeting) on its website at [www.balmerlawrie.com](http://www.balmerlawrie.com) and also on the website of the IEPF.

### Compulsory transfer of Equity Shares to the Investor Education and Protection Fund (IEPF):

23. Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has been unpaid or unclaimed for seven consecutive years or more are required to be transferred to IEPF. Accordingly, the Company had transferred 3,421 Equity Shares of the Paid-up Value of Rs.10/- each belonging to 46 Members to IEPF on 16<sup>th</sup> December, 2021.
24. Further, Members are requested to note that in respect of dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF- 5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed by the claimant along with the requisite documents enumerated in Form IEPF-5 to the Nodal Officer of the Company at the Registered Office of the Company for verification of his/her claim.

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

- i. Name of Nodal Officer :- Ms. Kavita Bhavsar, Company Secretary
  - ii. Address: Balmer Lawrie & Co. Ltd., 21, Netaji Subhas Road, Kolkata-700 001
  - iii. E-mail ID: [bhavsar.k@balmerlawrie.com](mailto:bhavsar.k@balmerlawrie.com)
25. Book Closure - The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 21<sup>st</sup> September, 2022 to Tuesday, 27<sup>th</sup> September, 2022 (both days inclusive).
  26. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Further, with effect from 1<sup>st</sup> April, 2019 SEBI has also mandated that requests for effecting transfer of Securities shall not be processed unless the Securities are held in dematerialised form with depository. In view of above, Members are requested to consider dematerializing their shares held in physical form. Members are requested to notify on or before 20<sup>th</sup> September, 2022 (applicable for Members holding shares in physical mode) the following to KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Unit - Balmer Lawrie & Co. Ltd., the Registrar & Share Transfer Agent (RTA) of the Company in the prescribed format at:
    - i. 2/1, Russel Street, 4<sup>th</sup> Floor, Kankaria Centre, Kolkata 700016; OR
    - ii. Selenium Building, Tower-B, Plot No. – 31 & 32, Financial District, Nanakramguda, Serilingampally, Rangareddi, Hyderabad, Telangana-500032,

- iii. Toll free No. 18003094001
- iv. Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
  - a. Any Change of address (including pin code), mandate, etc.
  - b. Particulars of bank account number, IFSC and MICR code, name and address of the bank along with original cancelled cheque which shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook/statement attested by the bank.
  - c. Copy of self-attested PAN Card, if not already provided.
  - d. Members who are holding Shares in electronic form may note that bank particulars registered with their respective Depository Participants (DPs) will be used by the Company for electronic credit / dispatch of dividend. The Company or its RTA cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective DPs. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records;
  - e. To quote the ledger Folio or client ID and DP ID numbers in all communications addressed either to the Company or to RTA.
27. Nomination by Securities holders:

Pursuant to Section 72 of the Companies Act, 2013, any holder of securities of the Company may, at any time, nominate, in Form No. SH-13, any person as his/her nominee upon whom the securities shall vest in the event of his/ her death. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation, to the Company in Form No. SH-14. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the Company. The said form can be downloaded from the Company's website [www.balmerlawrie.com](http://www.balmerlawrie.com). Members holding the shares in physical form may submit the same to RTA, of the Company, KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Unit - Balmer Lawrie & Co. Ltd. Members holding shares in electronic form may submit the same to their respective depository participant.
28. Members who hold Shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their Share Certificates to enable the Company to consolidate their holdings into a single folio.
29. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Accounts of its subsidiary is placed on the website of the Company- [www.balmerlawrie.com](http://www.balmerlawrie.com). Additionally, the Company will provide a copy of separate Audited Financial Statements in respect of its subsidiary Company, to any shareholder of the Company on making requisition in writing to the Company Secretary at the Registered Office of the Company or at the office of Company's RTA.
30. Green initiative: The Members of the Company who have not registered their e-mail address / mobile number with the Company are requested to register their e-mail address / mobile number by writing to the Registrar & Share Transfer Agent, KFin Technologies Limited (formerly known as KFin Technologies Private Limited) at the aforementioned address or by sending an e-mail at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for receiving all communications including Annual Report, Notices etc. from the Company electronically.
31. Any person who is not a Member as on the cut-off date should treat this Notice for information only.
32. Any person, who becomes a Member of the Company after the dispatch of the Notice and holding shares as on cut-off day i.e, Tuesday, 20<sup>th</sup> September, 2022 (end of day) may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL, may kindly follow the instructions for e-Voting stated in subsequent paras.
33. CS Binita Pandey, Partner of M/s. T. Chatterjee & Associates, Practicing Company Secretaries (Membership No. ACS 41594 & CP no. 19730) has been appointed as the Scrutinizer by the Board to scrutinize remote e-voting process before the AGM as well as e-voting at the AGM in a fair and transparent manner.
34. The Chairman shall, at the AGM, after the end of discussion on the resolutions on which voting is to be held, allow voting by use of e-voting system for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
35. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall submit within not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
36. The Results will be declared within two working days of the conclusion of 105<sup>th</sup> AGM. The results declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company [www.balmerlawrie.com](http://www.balmerlawrie.com) under the section 'Investor Relations' and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall



also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, where the Equity shares of the Company are listed.

37. Since the AGM will be held through VC/OAVM, the route Map is not annexed to this Notice.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Friday, 23<sup>rd</sup> September, 2022 at 09:00 A.M. and ends on Monday, 26<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 20<sup>th</sup> September 2022 (end of day), may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 20<sup>th</sup> September 2022 (end of day).

**How do I vote electronically using NSDL e-Voting system?**


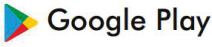


The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>   </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to CS Binita Pandey at [csbinita.tca@gmail.com](mailto:csbinita.tca@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Tuesday, **20<sup>th</sup> September, 2022** (end of day), may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Tuesday, 20<sup>th</sup> September, 2022** (end of day) may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system"(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for**

## **Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com) latest by Thursday, 22<sup>nd</sup> September 2022 (end of day).
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [blagm2022@balmerlawrie.com](mailto:blagm2022@balmerlawrie.com) latest by Thursday, 22<sup>nd</sup> September 2022 (end of day). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 [Forming Part of the Notice to the Members] and additional information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of (SS-2)****Item No. 5: Appointment of Shri Adika Ratna Sekhar (DIN: 08053637) as Chairman and Managing Director and fixation of terms of appointment**

Owing to the cessation of directorship of Shri Prabal Basu, erstwhile Chairman and Managing Director, additional charge of Chairman and Managing Director was entrusted upon Shri Adika Ratna Sekhar from 1<sup>st</sup> November, 2020 by the Administrative Ministry vide letter bearing reference no. CA-31024/4/2017-PNG (17426) dated 11<sup>th</sup> November, 2020 which was further extended by Administrative Ministry vide its letters bearing reference No. CA-31024/1/2020-PNG (35641) dated 6<sup>th</sup> January, 2021 and CA-31024/1/2020-PNG (35641) dated 20<sup>th</sup> April, 2021. Eventually, Shri Adika Ratna Sekhar was appointed as the Chairman and Managing Director of the Company with effect from the date of his assumption of charge of the post i.e. 3<sup>rd</sup> November, 2021 till the date of his superannuation, i.e. 30<sup>th</sup> June, 2024, or until further orders of the Administrative Ministry, whichever is earlier pursuant to the letter bearing reference no. CA-31024/2/2020-PNG (36125) dated 3<sup>rd</sup> November, 2021 of the Administrative Ministry. The detailed terms and conditions of appointment of Shri Adika Ratna Sekhar as Chairman and Managing Director of the Company was received vide letter bearing reference no. CA-31024/2/2020-PNG (36125) dated 29<sup>th</sup> December, 2021 of the Administrative Ministry.

Owing to his appointment as Chairman and Managing Director, Shri Adika Ratna Sekhar vacated his functional position as Director (Human Resource & Corporate Affairs) with effect from 3<sup>rd</sup> November 2021. However, vide letter bearing reference no. CA-31024/5/2021-PNG (40259) dated 23<sup>rd</sup> November, 2021 by Administrative Ministry, the additional charge of the functional role of Director (Human Resource & Corporate Affairs) was entrusted upon Shri Adika Ratna Sekhar for a period of three months w.e.f. 3<sup>rd</sup> November, 2021 to 2<sup>nd</sup> February, 2022. The said additional charge was extended by the Administrative Ministry vide letter bearing reference no. CA-31024/5/2021-PNG (40259) dated 4<sup>th</sup> February, 2022 for a period of six months with effect from 3<sup>rd</sup> February, 2022, or till the appointment of a regular incumbent to the post, or until further orders of the Administrative Ministry, whichever is the earliest.

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

The Company has received from Shri Adika Ratna Sekhar, Form No. DIR-2, consent to act as a Chairman and Managing Director and also Form No. DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has received a valid notice of candidature from a Member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Adika Ratna Sekhar as the Chairman and Managing Director of the Company whose period of office as Director shall be subject to determination of retirement of Directors by rotation.

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

The particulars of Shri Adika Ratna Sekhar is attached with this Explanatory Statement.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice. The brief resume of the director is given in the Corporate Governance Report.

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

**Item No. 6: Appointment of Dr. Vandana Minda Heda (DIN 09402294) as Non-Executive Independent Director and fixation of terms of appointment**

Further to the direction of the Administrative Ministry vide letter bearing reference no. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 and in line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Dr. Vandana Minda Heda (DIN 09402294) as an Additional Non- Executive Director with the designation of Independent Director of the Company with effect from 26<sup>th</sup> November, 2021 upto the date of this Annual General Meeting as per the provisions of the Companies Act, 2013 and allied Rules, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company on such terms and conditions as mentioned in the nomination letter and appointment letter.

The Company has received from Dr. Vandana Minda Heda, Form No. DIR-2, consent to act as a Director and also Form No. DIR-8 confirming that she is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has received declarations from the director stating that she continues to meet the criteria of independence as per the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that she is not debarred from holding the office of Director

under any order passed by the Securities and Exchange Board of India or any such authority.

Further, the Company and its Nomination and Remuneration Committee has verified that Dr. Vandana Minda Heda is not debarred from holding office of Director by any order of SEBI or any other authority.

In the opinion of the Board, Dr. Vandana Minda Heda is a person of integrity, possesses the relevant expertise/ experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and she is independent of the management.

In terms of Regulation 25(8) of Listing Regulations, Dr. Vandana Minda Heda has confirmed that she is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. She has also disclosed her concern or interest including shareholding interest in any other organization in form MBP-1.

The Company has received a valid notice of candidature from a Member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Dr. Vandana Minda Heda as an Independent Director of the Company whose period of office as director shall not be subject to determination by retirement of directors by rotation.

If approved, Dr. Vandana Minda Heda would remain an Independent Director of the Company for a period of three (3) years with effect from the date of notification of her appointment or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence, skills and capabilities of the director is determined by the Administrative Ministry.

Except Dr. Vandana Minda Heda, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Dr. Vandana Minda Heda is attached with this Explanatory Statement.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice. The brief resume of the director is given in the Corporate Governance Report.

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

### **Item No. 7: Appointment of Shri Rajeev Kumar (DIN 09402066) as Non-Executive Independent Director and fixation of terms of appointment**

Further to the direction of the Administrative Ministry vide letter bearing reference no. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 and in line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Shri Rajeev Kumar (DIN 09402066) as an Additional Non- Executive Director with the designation of Independent Director of the Company with effect from 26<sup>th</sup> November, 2021 upto the date of this Annual General Meeting as per the provisions of the Companies Act, 2013 and allied Rules, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company on such terms and conditions as mentioned in the nomination letter and appointment letter.

The Company has received from Shri Rajeev Kumar (DIN 09402066) Form No. DIR-2, consent to act as a Director and also Form No. DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has received declarations from the director stating that he continues to meet the criteria of independence as per the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that he is not debarred from holding the office of Director under any order passed by the Securities and Exchange Board of India or any such authority.

Further, the Company and its Nomination and Remuneration Committee has verified that Shri Rajeev Kumar (DIN 09402066) is not debarred from holding office of Director by any order of SEBI or any other authority.

In the opinion of the Board, Shri Rajeev Kumar (DIN 09402066) is a person of integrity, possesses the relevant expertise/ experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management.

In terms of Regulation 25(8) of Listing Regulations, Shri Rajeev Kumar (DIN 09402066) has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also disclosed his concern or interest including shareholding interest in any other organization in form MBP-1.

The Company has received a valid notice of candidature from a Member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri Rajeev Kumar (DIN 09402066) as an Independent Director of the Company whose period of office as director shall not be subject to determination by retirement of directors by rotation.

If approved, Shri Rajeev Kumar (DIN 09402066) would remain an Independent Director of the Company for a period of three (3) years with effect from the date of notification of his appointment or until further orders from the Administrative Ministry, whichever is earlier.

The Company being a Government Company, the independence, skills and capabilities of the director is determined by the Administrative Ministry.

Except Shri Rajeev Kumar (DIN 09402066), being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri Rajeev Kumar (DIN 09402066) is attached with this Explanatory Statement.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice. The brief resume of the director is given in the Corporate Governance Report.

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

**Item No. 8: Appointment of Shri R. M. Uthayaraja (DIN 09678056) as Director (Manufacturing Businesses) and fixation of terms of appointment**

Further to the direction of the Administrative Ministry vide letter bearing reference no. CA-31024/1/2019-PNG (30909) dated 14<sup>th</sup> July, 2022 and in line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Shri R. M. Uthayaraja (DIN 09678056) as an Additional Executive Director with the designation of Director (Manufacturing Businesses) of the Company with effect from 14<sup>th</sup> July, 2022 upto the date of this Annual General Meeting as per the provisions of the Companies Act, 2013 and allied Rules, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company on such terms and conditions as mentioned in the nomination letter.

The Company has received from Shri R. M. Uthayaraja (DIN 09678056), Form No. DIR-2, consent to act as a Director and also Form No. DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has received a declaration from the director stating that he is not debarred from holding the office of director pursuant to any order of SEBI or any other such authority.

Further, the Company and its Nomination and Remuneration Committee has verified that Shri R. M. Uthayaraja (DIN 09678056) is not debarred from holding office of Director by any order of SEBI or any other authority.

The Company has received a valid notice of candidature from a Member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Shri R. M. Uthayaraja (DIN 09678056) as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation.

Except Shri R. M. Uthayaraja (DIN 09678056), being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Shri R. M. Uthayaraja (DIN 09678056) is attached with this Explanatory Statement.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice. The brief resume of the director is given in the Corporate Governance Report.

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

**Item No. 9: Ratification of remuneration of Cost Auditor for Financial Year 2022-23:**

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment of M/s. S. Dhal & Co. Cost Accountants in Practice, (Firm Registration No.000197) having its head office at 400/4897, Baramunda Village, Bhubaneswar 751003 as the Cost Auditor of the Company to conduct the audit of the Cost Records maintained by the Company for the Financial Year ending on 31<sup>st</sup> March, 2023 at a remuneration of Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand only) (all-inclusive fees) to be paid on completion of the Cost Audit.

In terms of Section 148(3) of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending on 31<sup>st</sup> March, 2023.

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

The Board recommends ratification of remuneration of Cost Auditors, as set out in Resolution no. 9 of the Notice for approval by the Members as an Ordinary Resolution.



The particulars of directors who are proposed to be re-appointed/appointed at the 105<sup>th</sup> Annual General Meeting to be held on Tuesday, 27<sup>th</sup> September, 2022, as required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of (SS-2) are given below:

Particulars	Name of the Director, Designation & DIN				
	*Shri Sandip Das  Director (Finance) and Chief Financial Officer  (DIN 08217697)	Shri Adika Ratna Sekhar  Chairman and Managing Director  (DIN 08053637)	Dr. Vandana Minda Heda  Independent Director  (DIN 09402294)	Shri Rajeev Kumar  Independent Director  (DIN 09402066)	Shri R. M. Uthayaraja  Director (Manufacturing Businesses)  (DIN: 09678056)
Date of Birth	25 <sup>th</sup> December, 1962	10 <sup>th</sup> June 1964	12 <sup>th</sup> August, 1972	23 <sup>rd</sup> August, 1969	11 <sup>th</sup> August 1967
Date of First Appointment on the Board of Balmer Lawrie & Co. Ltd	1 <sup>st</sup> May, 2020	3 <sup>rd</sup> November, 2021 [The date of first appointment as the Chairman and Managing Director.]  1 <sup>st</sup> November, 2020 [The date of first appointment as Chairman & Managing Director (additional charge)].  The date of first appointment as the director of the Company was 29 <sup>th</sup> May, 2018	26 <sup>th</sup> November, 2021	26 <sup>th</sup> November, 2021	14 <sup>th</sup> July, 2022
Date of appointment / last re-appointment at the AGM	25 <sup>th</sup> September, 2020	28 <sup>th</sup> September, 2021	Not Applicable	Not Applicable	Not Applicable
Qualifications	a. Bachelor of Commerce from St. Xavier's College, Kolkata  b. Chartered Accountant from the Institute of Chartered Accountants of India	Master of Social Work with specialization in Personnel Management, Industrial Relations & Labour Welfare from Osmania University.	a. B.E(elect),  b. MBA in finance and marketing (gold medalist)  c. PhD (Thesis: A study of the Awareness, Prospects and challenges of Microfinance in Urban area of Kamrup (Metropolitan) district of Assam)	Bachelor's Degree in Art from Mahatma Jyotiba Phule Rohilkhand University, Bareilly.	Chemical Engineering from M.S. Ramaiah Institute of Technology, Bangalore

Particulars	Name of the Director, Designation & DIN				
	<p><b>*Shri Sandip Das</b></p> <p><b>Director (Finance) and Chief Financial Officer</b></p> <p><b>(DIN 08217697)</b></p>	<p><b>Shri Adika Ratna Sekhar</b></p> <p><b>Chairman and Managing Director</b></p> <p><b>(DIN 08053637)</b></p>	<p><b>Dr. Vandana Minda Heda</b></p> <p><b>Independent Director</b></p> <p><b>(DIN 09402294)</b></p>	<p><b>Shri Rajeev Kumar</b></p> <p><b>Independent Director</b></p> <p><b>(DIN 09402066)</b></p>	<p><b>Shri R. M. Uthayaraja</b></p> <p><b>Director (Manufacturing Businesses)</b></p> <p><b>(DIN: 09678056)</b></p>
Expertise in Specific Functional areas (including experience)	Shri Sandip Das has 33 years of experience. During his career in Balmer Lawrie & Co. Ltd., he has worked in core business areas in both manufacturing and services verticals at multiple level as well as in the corporate finance function.	Shri Adika Ratna Sekhar has over 34 years of experience in leading multicultural organizations in Human Resources Management, Industrial Relations and Administration with hands on experience in Talent Acquisition, Talent Management, Organisational Development, Learning & Development and Change Management initiatives, 360 degree leadership development program, Career and Performance Management systems and Performance counselling. He has lead employee engagement programs, employee welfare and loyalty programs and trade union negotiations in progressive organisations of repute. A keen strategist with a flair for designing and implementing innovative strategies. He is credited for HR interventions in line with industry standards.	Her professional journey started by joining Standard Chartered Bank in 2001 working in various capacities including Head Cashier, to Teller Service Manager to Personal Financial Consultant and finally Manager Customer Relations. She excelled in every role and won accolades. After that she moved on to Kotak Mahindra Bank in 2006 as branch manager and continued for 7 years. She has been a very gripping and focussed Branch Manager whose contribution was well appreciated by the then country head. Not to mention that she won many best Branch and best Branch Manager Awards. One important highlight of her career being cracking an underground world nexus for which she was well appreciated by her seniors. Since then, she has been engaged with various motivational training for corporates and teaching in the MBA department of Gauhati University. Dr. Vandana Minda Heda is a trained Bharatanatyam dancer and loves to host interviews in her channel "Exploring The Gold Mine... A chat show".	Shri Rajeev Kumar has held the following positions: <ul style="list-style-type: none"> <li>• District President of BJP Bijnor from 2017 to 2020.</li> <li>• District In charge of BJP Rampur from 2021 to Present.</li> <li>• General Secretary of BJP Bijnor from 2012 to 2016</li> <li>• Secretary of BJP Bijnor from 2002 to 2007</li> </ul> <p>Shri Rajeev Kumar is result-oriented, problem solver and visionary leader with strategic thinking skills and a creative mind.</p>	Shri R. M. Uthayaraja has over 31 years of rich experience in various industries like distillery, Agro Chemicals, Pharmaceuticals, Beverages, Leather Chemicals, and Industrial Packaging. <p>Shri R. M. Uthayaraja started his career with M/s.Trichy Distilleries &amp; Chemicals Ltd., and worked in major Pharma Company M/s. Sun Pharmaceutical Industries Ltd.</p> <p>A Technocrat by professional, Shri R. M. Uthayaraja, has worked in various parts of the country and for over a decade now has been holding business leadership roles. In his earlier assignment in Balmer Lawrie he was spearheading the business of Industrial Packaging &amp; Chemicals as Executive Director. He has also worked as Administration head for both Western and Sothern regions.</p>
Terms and conditions of re-appointment/ appointment	As contained in letter bearing reference no.- CA-31024 /2/2018-PNG (25059) dated 20 <sup>th</sup> January, 2020 from Ministry of Petroleum & Natural Gas.	As contained in letters from Ministry of Petroleum & Natural Gas bearing reference no.: CA-31024/4/2019-PNG (32795) dated 24 <sup>th</sup> March, 2022	As contained in letter bearing reference no. CA-31033/2/2021-PNG(39069) dated 8 <sup>th</sup> November, 2021 and her appointment letter dated 1 <sup>st</sup> December, 2021	As contained in letter bearing reference no. CA-31033/2/2021-PNG(39069) dated 8 <sup>th</sup> November, 2021 and his appointment letter dated 1 <sup>st</sup> December, 2021	As contained in letter bearing reference no. CA-31024/1/2019-PNG(30909) dated 14 <sup>th</sup> July, 2022

Particulars	Name of the Director, Designation & DIN				
	*Shri Sandip Das  Director (Finance) and Chief Financial Officer  (DIN 08217697)	Shri Adika Ratna Sekhar  Chairman and Managing Director  (DIN 08053637)	Dr. Vandana Minda Heda  Independent Director  (DIN 09402294)	Shri Rajeev Kumar  Independent Director  (DIN 09402066)	Shri R. M. Uthayaraja  Director (Manufacturing Businesses)  (DIN: 09678056)
		CA-31024/ 5/ 2021 - PNG (40259) dated 4 <sup>th</sup> February, 2022  CA-31024/ 2/ 2020 - PNG (36125) dated 29 <sup>th</sup> December, 2021  CA-31024/ 5/ 2021 - PNG (40259) dated 23 <sup>rd</sup> November, 2021  CA-31024/ 2/ 2020 - PNG (36125) dated 3 <sup>rd</sup> November, 2021  CA-31024/ 4/ 2019 - PNG (32795) dated 26 <sup>th</sup> July, 2021  CA-31024/ 1/ 2020 - PNG (35641) dated 20 <sup>th</sup> April, 2021  CA-31024/ 4 /2019 – PNG (32795) dated 6 <sup>th</sup> April 2021  CA-31024/ 4 /2019 – PNG (36036) dated 28 <sup>th</sup> January, 2021  CA-31024 /1 / 2020 - PNG (35641) dated 6 <sup>th</sup> January 2021  CA-31024/ 4/ 2019 - PNG (32795) dated 19 <sup>th</sup> November, 2020  CA- 31024/ 4/ 2017 - PNG (17426) dated 11 <sup>th</sup> November 2020  CA-31024 /2/ 2017 - PNG (49) dated 4 <sup>th</sup> January, 2019  CA-31024 /2 / 2017- PNG (49) dated 2 <sup>nd</sup> May, 2018			

Particulars	Name of the Director, Designation & DIN				
	*Shri Sandip Das  Director (Finance) and Chief Financial Officer  (DIN 08217697)	Shri Adika Ratna Sekhar  Chairman and Managing Director  (DIN 08053637)	Dr. Vandana Minda Heda  Independent Director  (DIN 09402294)	Shri Rajeev Kumar  Independent Director  (DIN 09402066)	Shri R. M. Uthayaraja  Director (Manufacturing Businesses)  (DIN: 09678056)
Details of remuneration last drawn	Rs.60,07,154.67	Rs. 53,71,569.96	Rs. 1,15,000.00	Rs. 85,000.00	Since Shri R. M. Uthayaraja has been appointed as Director w.e.f. 14 <sup>th</sup> July, 2022, the details pertaining to remuneration is not applicable.
Details of remuneration sought to be paid	In the scale of pay of Rs.1,60,000-2,90,000/- (revised).	In the scale of pay of Rs. 1,80,000-3,20,000/- read with letter bearing no. - CA-31024/ 2/ 2020 - PNG (36125) dated 29 <sup>th</sup> December, 2021containing the terms and conditions of his appointment	Sitting fee for Board Meeting would be Rs. 20,000 and Sitting fee for Committee meeting would be Rs. 15,000 per Meeting attended	Sitting fee for Board Meeting would be Rs. 20,000 and Sitting fee for Committee meeting would be Rs. 15,000 per Meeting attended	In the scale of pay of Rs.1,60,000-2,90,000/- (revised)
Number of Meetings of the Board attended during the Financial Year 2021-2022	8	8	2	2	N.A
Shareholding of the Director in Balmer Lawrie & Co. Ltd.	NIL	NIL	NIL	NIL	NIL
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	None	None	None	None	None
Directorship on the Board of other Companies / offices held in other companies	1. Balmer Lawrie Investments Limited, Non-Executive Director 2. Visakhapatnam Port Logistics Park Limited, Non-Executive Director 3. Balmer Lawrie-Van Leer Limited, Nominee Director	1. Biecco Lawrie Limited, Managing Director 2. Balmer Lawrie-Van Leer Limited, Nominee Director 3. Avi-Oil India Private Limited, Nominee Director	Nil	Nil	Nil

Particulars	Name of the Director, Designation & DIN				
	*Shri Sandip Das	Shri Adika Ratna Sekhar	Dr. Vandana Minda Heda	Shri Rajeev Kumar	Shri R. M. Uthayaraja
	Director (Finance) and Chief Financial Officer (DIN 08217697)	Chairman and Managing Director (DIN 08053637)	Independent Director (DIN 09402294)	Independent Director (DIN 09402066)	Director (Manufacturing Businesses) (DIN: 09678056)
Membership/ Chairmanship of Committee(s) of Balmer Lawrie & Co. Ltd.	1. Audit Committee – Member 2. Corporate Social Responsibility Committee- Member 3. Stakeholders Relationship Committee - Member	1. Corporate Social Responsibility Committee- Chairperson 2. Stakeholders Relationship Committee – Member 3. Risk Management Committee - Member	1. Audit Committee- Member 2. Stakeholders Relationship Committee – Chairperson 3. Nomination and Remuneration Committee – Member 4. Risk Management Committee – Chairperson	1. Audit Committee – Chairperson 2. Corporate Social Responsibility Committee- Member 3. Nomination and Remuneration Committee - Chairperson	Nil
Membership/ Chairmanship of Committee(s) of the Board of other Companies	1. Balmer Lawrie Investments Limited: a. Audit Committee- Member b. Nomination and Remuneration Committee - Member c. Stakeholders Relationship Committee - Chairman d. Corporate Social Responsibility Committee - Member e. Risk Management Committee- Member 2. Balmer Lawrie Van-Leer Limited: a. Stakeholders Relationship Committee- Member 3. Visakhapatnam Port Logistics Park Limited: a. Audit Committee- Chairman	1. Balmer Lawrie - Van Leer Limited: a. Audit Committee – Member b. Nomination and Remuneration Committee – Chairman c. Stakeholders Relationship Committee – Chairman d. Corporate Social Responsibility Committee - Member 2. Avi-Oil India Pvt. Limited: Corporate Social Responsibility Committee - Member	Nil	Nil	Nil
Name of listed entities from which the Director has resigned in the past three years.	Nil	Nil	Nil	Nil	Nil

Note: \* Shri Sandip Das retires by rotation and being eligible offers himself for re-appointment.

**Registered Office:**  
Balmer Lawrie & Co. Ltd.  
21, Netaji Subhas Road  
Kolkata 700 001

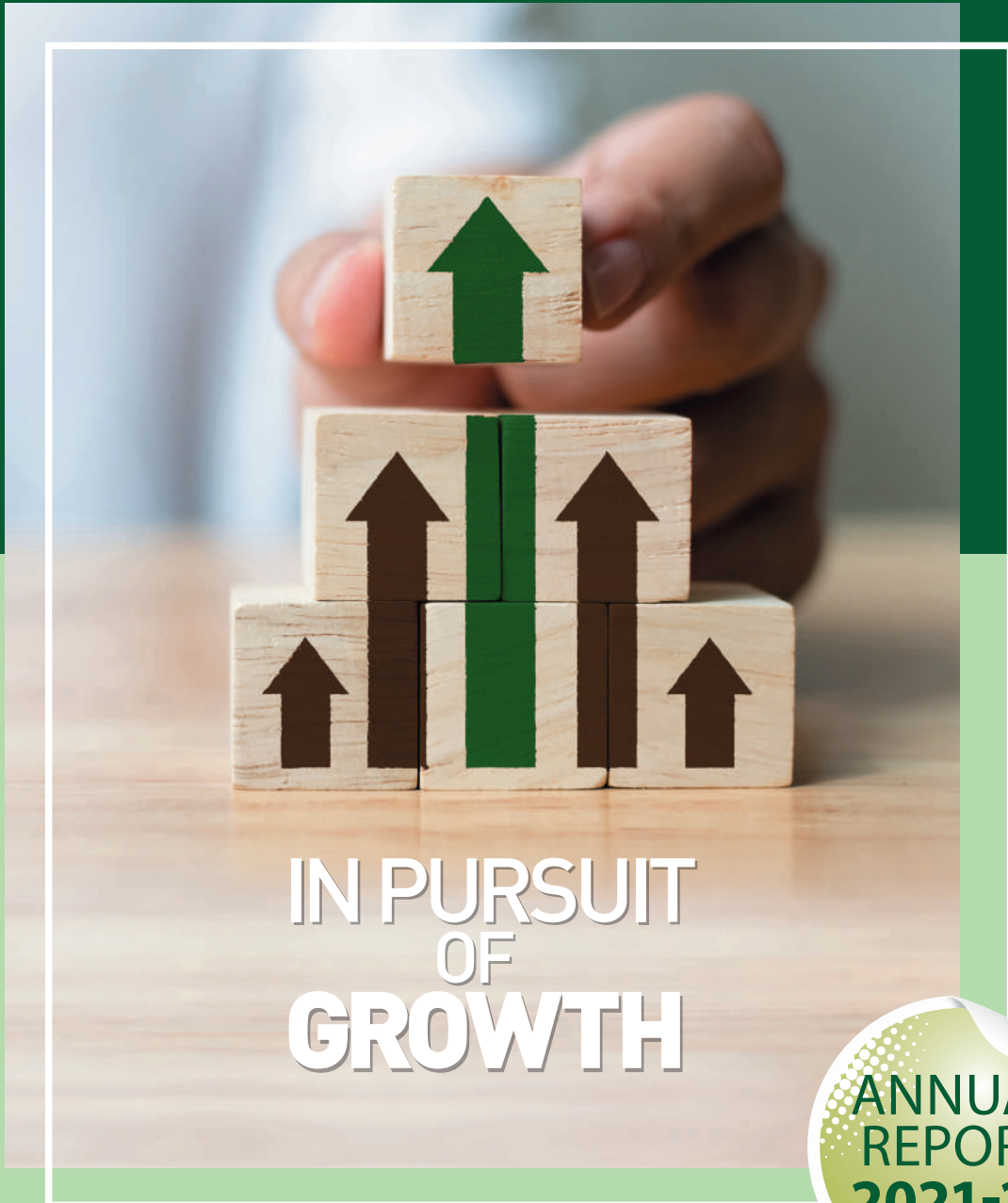
**By Order of the Board of Directors**

**Kavita Bhavsar**  
Company Secretary  
FCS No: 4767

Date: 5<sup>th</sup> August, 2022  
Place: Kolkata

# बामर लॉरी एण्ड कं. लिमिटेड Balmer Lawrie & Co. Ltd.

(A GOVERNMENT OF INDIA ENTERPRISE)



IN PURSUIT  
OF  
GROWTH

ANNUAL  
REPORT  
2021-22

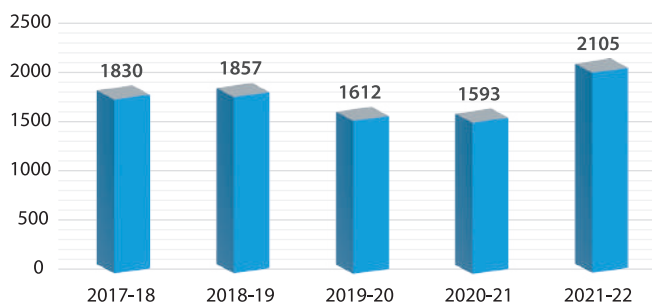
A MINIRATNA I PSE  
(Under Ministry of Petroleum and Natural Gas)

# OUR VISION

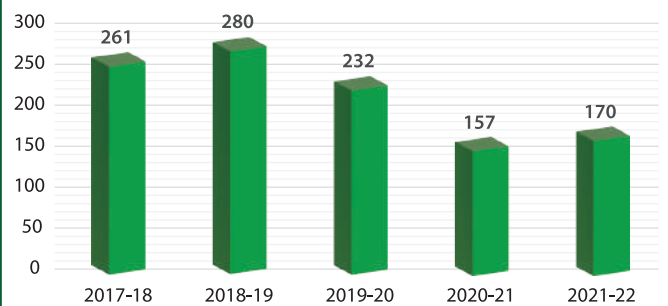
To be a leading diversified corporate entity having market leadership with global presence in chosen business segments, consistently delivering value to all stakeholders, with environmental and social responsibility.



**Turnover** (in Rs Crores)



**Profit** (in Rs Crores)





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

– Shri Narendra Modi  
Prime Minister of India

PMKVY

प्रधानमंत्री कौशल विकास योजना  
PRADHAN MANTRI KAUSHAL VIKAS YOJANA

As part of the Government of India's Skill India initiative, Skill Development Institutes (SDIs) have been set up at various places in the country by the member companies of the Ministry of Petroleum and Natural Gas (MoPNG), Government of India. As a member company of the MoPNG, Balmer Lawrie contributed Rs 210 Lakhs for the SDIs at Ahmedabad, Raebareli, Guwahati, Visakhapatnam and Bhubaneswar as per the funding module set by the MoPNG. Balmer Lawrie is also training apprentices in line with the National Apprenticeship Promotion Scheme in the Logistics and Travel & Vacations Business Units.

75  
Azadi Ka  
Amrit Mahotsav

*“The Azadi Amrit Mahotsav means elixir of energy of independence; elixir of inspirations of the warriors of freedom struggle; elixir of new ideas and pledges; and elixir of Aatmanirbharta. Therefore, this Mahotsav is a festival of awakening of the nation; festival of fulfilling the dream of good governance; and the festival of global peace and development.*”

*Like the history of the freedom movement, the journey of 75 years after independence is a reflection of the hard work, innovation, enterprise of ordinary Indians. Whether in the country or abroad, we Indians have proved ourselves with our hard work. We are proud of our Constitution. We are proud of our democratic traditions. The mother of democracy, India is still moving forward by strengthening democracy. India, rich in knowledge and science, is leaving its mark from Mars to the moon.”*

– Shri Narendra Modi  
Prime Minister of India



Shri Hardeep S Puri

Hon'ble Minister of Petroleum and Natural Gas & Housing and Urban Affairs



Shri Rameswar Teli

Hon'ble State Minister of Petroleum and Natural Gas & Labour and Employment

As part of the **Azadi Ka Amrit Mahotsav (AKAM)** celebrations various programs were organised by Balmer Lawrie & Co. Ltd. during the year. Extensive plantation drives were organised across units and establishments pan India. The Company participated in the CPSEs AKAM exhibition at Gandhinagar, Gujarat and sponsored various cultural programs. In order to create awareness on health and hygiene, sanitary napkins and COVID-19 hygiene kits were distributed to the students of primary schools in Saily village, Silvassa and to women of Paharpur, a slum near Kolkata. Sanitary pads were distributed to around 200 girl students of three primary schools (Chokipada, Bhoypada and Dungarpada) in Saily village at Silvassa. The students are from 6th to 8th class. Balmer Lawrie has been running the capacity building project on health and hygiene in the Saily and Khadoli villages at Silvassa in association with Swadeep Shikshan Vikas Sanstha. Balmer Lawrie sponsored Sanitation kits were distributed by the Calcutta Rescue team to the beneficiaries of Paharpur slum in Kolkata. The Sanitation kit consisted of masks, hand sanitizers, sanitary napkins and handwash.



बामर लॉरी एण्ड कं. लिमिटेड  
(भारत सरकार का एक उद्यम)



**Balmer Lawrie & Co. Ltd.**  
(A Government of India Enterprise)

## STRATEGIC BUSINESS UNITS

INDUSTRIAL PACKAGING | GREASES & LUBRICANTS | CHEMICALS | TRAVEL & VACATIONS  
LOGISTICS [Services, Infrastructure, Cold Chain] | REFINERY & OIL FIELD SERVICES

**Balmer Lawrie**  
LOGISTICS



**Balmer Lawrie**  
LOGICOLD

**Balmer Lawrie**  
TRAVEL & VACATIONS  
SINCE 1867



*Vacations & Excursion*  
Collect Stories

**Balmerol**  
LUBRICANTS

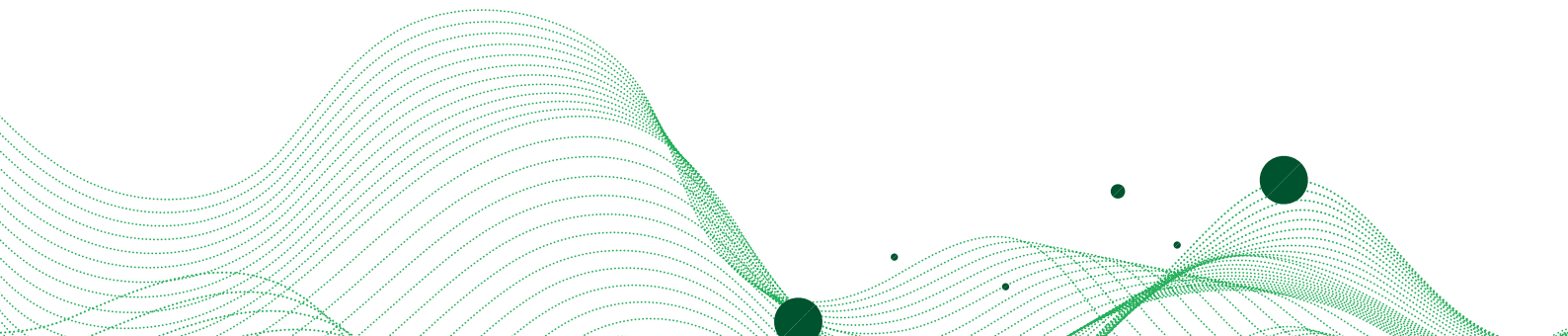


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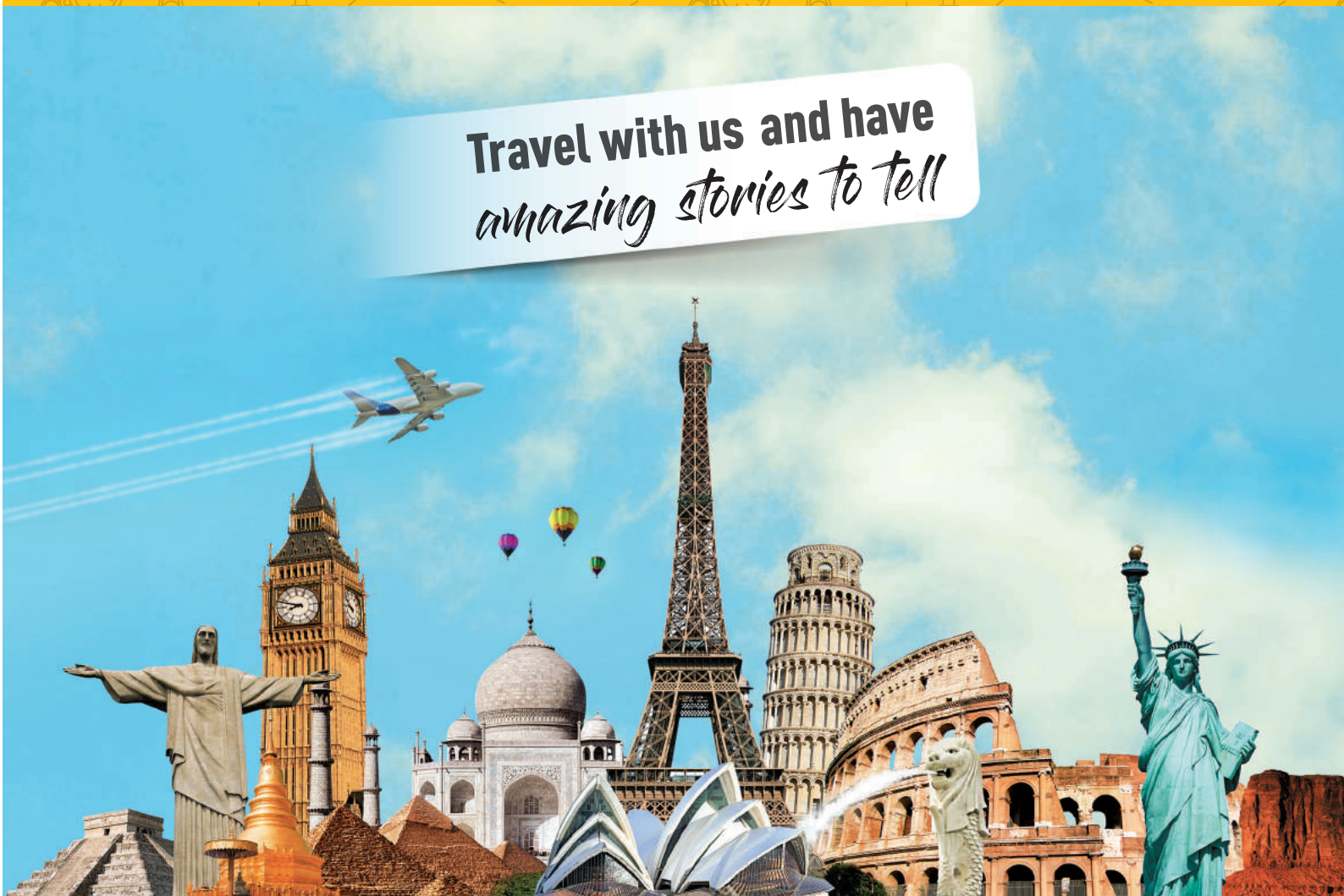
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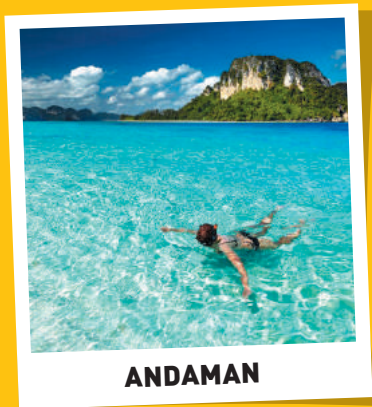
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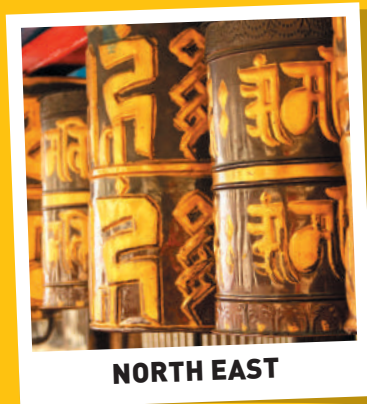
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**A DECADE OF PROGRESS**

(Rs. in Lakhs)

Year	Share Capital	Reserves & Surplus	Loan Funds	Gross block	Current Assets	Current Liabilities	Net Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Dividend (incl. Tax on div.)	No. of Employees (Nos.)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
2012-2013	1,629	70,671	-	42,843	93,787	55,009	1,57,205	22,352	6,075	16,277	5,869	1465
2013-2014	2,850	79,114	-	46,923	1,01,256	61,875	1,59,797	21,962	6,295	15,667	6,002	1431
2014-2015	2,850	87,456	-	60,629	96,704	50,458	1,76,731	21,044	6,300	14,744	6,204	1365
2015-2016	2,850	96,883	-	40,004	1,08,439	55,349	1,65,731	24,021	7,701	16,320	6,893	1248
2016-2017	11,400	1,05,199	-	42,681	1,23,132	57,148	1,77,946	25,411	8,369	17,042	9,650	1153
2017-2018	11,400	1,14,185	1,490	46,590	1,25,436	53,830	1,79,710	26,112	7,630	18,482	13,786	1128
2018-2019	11,400	1,18,620	1,367	49,123	1,17,498	52,299	1,85,375	28,010	9,160	18,850	15,119	1069
2019-2020	17,100	1,14,866	1,118	59,549	1,14,816	48,635	1,61,216	23,244	5,527	17,717	12,825	1076
2020-2021	17,100	1,13,672	497	62,796	1,17,858	52,291	1,59,277	15,665	4,020	11,645	10,260	989
2021-2022	17,100	1,14,886	-	64,923	1,21,006	51,467	2,10,485	17,014	4,734	12,281	11,115	936

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## Company Information

<b>Board of Directors (as on 05/08/2022)</b>	<p>: Shri Adika Ratna Sekhar, Chairman &amp; Managing Director and Director (Human Resource &amp; Corporate Affairs) - (additional charge)</p> <p>Shri Adhip Nath Palchaudhuri, Director (Service Businesses) Shri Sandip Das, Director (Finance) &amp; Chief Financial Officer Shri R. M. Uthayaraja, Director (Manufacturing Businesses) Smt. Perin Devi, Government Nominee Director Shri Kushagra Mittal, Government Nominee Director Dr. Vandana Minda Heda, Independent Director Shri Rajeev Kumar, Independent Director</p>		
<b>Company Secretary</b>	: Ms. Kavita Bhavsar		
<b>Registered Office</b>	: Balmer Lawrie & Co. Ltd., 21, Netaji Subhas Road, Kolkata – 700 001		
<b>Bankers</b>	: Bank of Baroda Canara Bank HDFC Bank Limited IndusInd Bank Limited Standard Chartered Bank State Bank of India		
<b>Statutory Auditors</b>	: M/s B. K. Shroff & Co. (CA0071), 23A, Netaji Subhas Road, 3 <sup>rd</sup> Floor, Room No. – 15, Kolkata – 700001		
<b>Branch Auditors</b>	: For Western Region M/s. S C Mehra & Associates LLP (BO0931) Office No.42, 1 <sup>st</sup> Floor, Singh Estate No.3, off S V Road, near Movie Star Cinema, Ram Mandir West, Mumbai - 400104, Maharashtra	: For Southern Region M/s. Sankaran & Krishnan (MD0016) Komalam Building, No.11/23, 1 <sup>st</sup> Main Road R A Puram, Chennai- 600028, Tamil Nadu	: For Northern Region M/s. Agiwal & Associates (DE0222) D-6/9, Upper Ground Floor, Rana Pratap Bagh New Delhi- 110007
<b>Internal Auditors</b>	: M/s. Haribhakti & Co. LLP 705, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai – 400059		
<b>Registrar &amp; Share Transfer Agent</b>	: KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Unit: Balmer Lawrie & Co. Ltd. <b>Registered Office</b> Selenium Tower - B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Rangareddi, Hyderabad 500032, Telangana Toll Free No: 1800 3094001 E-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a> <b>Kolkata Branch</b> Kankaria Centre, 2/1, Russel Street, 4 <sup>th</sup> Floor, Kolkata 700016 Telephone No. – 033 66285900		

**MANAGEMENT TEAM**

SI No.	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 05.08.2022
1	<b>SHRI ADIKA RATNA SEKHAR</b>	B.A., MSW	CHAIRMAN & MANAGING DIRECTOR AND DIRECTOR [HUMAN RESOURCE & CORPORATE AFFAIRS] - (ADDITIONAL CHARGE)	10.06.1964	27.01.2014	34
2	<b>SHRI ADHIP NATH PALCHAUDHURI</b>	B.E. [ELECTRONICS & TELECOMMUNICATION] & PGDM	DIRECTOR [SERVICE BUSINESSES]	18.03.1969	13.02.2012	28
3	<b>SHRI SANDIP DAS</b>	B.COM., ACA	DIRECTOR [FINANCE] & CHIEF FINANCIAL OFFICER	25.12.1962	24.05.1993	33
4	<b>SHRI R. M. UTHAYARAJA</b>	B.E. [CHEMICAL]	DIRECTOR [MANUFACTURING BUSINESSES]	11.08.1967	31.12.2014	31
5	<b>SHRI ROMON SEBASTIAN LOUIS</b>	B.COM, PGDMM, PGDMSM	CHIEF OPERATING OFFICER [LOGISTICS INFRASTRUCTURE]	22.11.1972	02.11.1998	28
6	<b>SHRI UDAYAN GHOSH</b>	B.COM, CA, CS [INTER]	CHIEF OPERATING OFFICER [LOGISTICS SERVICES]	21.04.1963	06.06.1994	32
7	<b>SHRI ABHIJIT GHOSH</b>	B.COM (HONS), PGDPM, MBA, PGCHRM	SENIOR VICE PRESIDENT [HR]	09.11.1967	04.12.2019	30
8	<b>Dr. SRIRAM KUMAR CHAVALI</b>	B.E. [ELECTRONICS & COMMUNICATION], M.TECH, BACHELOR OF LAW, MBA (FINANCE), PhD	CHIEF INFORMATION OFFICER	26.08.1969	05.10.2020	29
9	<b>SHRI THIYAGARAJAN S.</b>	B. A (ECONOMICS)	VICE PRESIDENT (VACATIONS)	04.01.1968	01.02.2014	28
10	<b>MS. KAVITA BHAVSAR</b>	B.COM [HONS], FCS, LL.B, PGDFM	COMPANY SECRETARY	11.02.1968	08.12.2014	32
11	<b>SHRI RAJ KUMAR MAITY</b>	B.E. (MECH), EXECUTIVE MANAGEMENT (GENERAL MANAGEMENT, STRATEGY)	HEAD [GREASES & LUBRICANTS]	31.12.1974	31.10.2011	23
12	<b>SHRI A THIRUVAMBALAM</b>	BACHELOR OF ENGINEERING (MECHANICAL)	VICE PRESIDENT [WORKS], SBU - CHEMICALS	01.10.1962	19.12.1990	35
13	<b>SHRI GOUTAM CHANDRA SAHA</b>	B.E. (CIVIL), M.C.E. (STRUCTURE)	HEAD [ENGINEERING & PROJECTS]	03.03.1963	25.07.1996	35
14	<b>SHRI RAVINDER SINGH MAKAN</b>	BACHELOR OF TECHNOLOGY (CHEMICAL ENGINEERING), MASTER OF BUSINESS ADMINISTRATION (MARKETING)	HEAD (INDUSTRIAL PACKAGING)	18.08.1973	06.08.2020	25
15	<b>SHRI N V BALAJI</b>	BACHELOR OF ENGINEERING (MECHANICAL), MBA OPERATIONS MANAGEMENT	VICE PRESIDENT [OPERATIONS], SBU - CHEMICALS	27.02.1966	02.07.1997	33
16	<b>SHRI AMITAVA BANDYOPADHYAY</b>	BE (MECH)	HEAD [REFINERY & OIL FIELD SERVICES]	01.07.1966	31.10.1997	33
17	<b>SHRI GAURAV BHATURA</b>	POST GRADUATE DIPLOMA IN BUSINESS MANAGEMENT	HEAD [TRAVEL]	15.03.1979	12.11.2020	21
18	<b>SHRI AMLAN GUPTA</b>	B.COM, MBA	HEAD [COLD CHAIN]	28.01.1971	12.08.2013	28

<b>DEPUTED / SECONDED FROM BALMER LAWRIE TO JOINT VENTURE COMPANY</b>						
<b>SI No.</b>	<b>Name</b>	<b>Qualification</b>	<b>Designation &amp; JV Company</b>	<b>Date of Birth</b>	<b>Date of Joining in BL</b>	<b>Total years of experience as on 05.08.2022</b>
1	<b>SHRI SREEJIT BANERJEE</b>	B.SC., B.TECH	PRESIDENT DIRECTOR, PT BALMER LAWRIE INDONESIA	04.06.1967	01.04.2016	29

<b>DEPUTED FROM THE GOVT. OF INDIA TO BALMER LAWRIE</b>						
<b>SI No.</b>	<b>Name</b>	<b>Qualification</b>	<b>Designation</b>	<b>Date of Birth</b>	<b>Date of Joining in BL</b>	<b>Total years of experience as on 05.08.2022</b>
1	<b>SHRI ANANT KUMAR SINGH, IPS</b>	B. TECH (MINING ENGINEERING)	CHIEF VIGILANCE OFFICER	09.09.1968	24.02.2021	33



## CHAIRMAN'S ADDRESS



### **Dear Esteemed Members.**

It is my great pleasure to welcome all of you to the 105<sup>th</sup> Annual General Meeting of your Company. We are once again meeting virtually in view of the COVID-19 pandemic. Hope you and your families are healthy and safe. This AGM is being held through VC / OAVM. However, it is always a pleasure to connect with all of you, even if it is virtual. Your presence here is testimony to the active involvement of stakeholders in affairs of the Company. On behalf of the Board of Directors of Balmer Lawrie, I thank you all for joining us today for the meeting.

### **The Business Environment**

The past two years have been difficult for the world economy which continues to be plagued by uncertainty on account of repeated waves of infection of the COVID-19 pandemic. It is not just about the immediate disruptions and uncertainty caused by repeated waves of the pandemic, but also the long-term uncertainty about the post-Covid world due to accelerated shifts in technology, consumer behaviour, supply chains, geo-politics, climate change and a host of other factors. Not only are these individual factors difficult to forecast, the impact of their interplay are also fundamentally unpredictable.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0 to 8.5 percent in 2022-23.

Sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth.

Segments like Travel, Trade and Hotels are yet to fully recover as the stop-start nature of repeated pandemic waves makes it especially difficult for these sub-sectors to gather momentum.

Apart from the significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare

the economy for a sustained long-term expansion, some of the significant initiatives of the Government of India at the domestic as well as international stage require to be mentioned:

- The Government of India has taken various initiatives for enabling an efficient Logistics eco-system to boost exports. Approved in October 2021, PM Gati Shakti - National Master Plan for Multi Modal Connectivity aims to provide multimodal connectivity to various economic zones and integrate the infrastructure linkages holistically for seamless movement of people, goods and services to improve logistics efficiency. Gati Shakti will bring 16 Ministries together for integrated planning and coordinated implementation of infrastructure connectivity projects like Bharatmala, Sagarmala, inland waterways, UDAN, etc. It will also leverage technology extensively including spatial planning tools with ISRO imagery developed by BiSAG-N (Bhaskaracharya National Institute for Space Applications and Geoinformatics). Economic zones like textile clusters, pharmaceutical clusters, electronic parks, etc. will be covered to make Indian businesses more competitive globally by cutting down the logistics costs and ensuring proper linkages for local industry and consumers. This will boost economic growth, attract foreign investment and create multiple employment opportunities. The Government has taken various steps in last few years to improve logistics efficiency through infrastructure enhancement and process reforms. Some of them include introduction of FASTag, Turant Customs, mandatory Radio Frequency Identification (RFID) tagging at all EXIM bound containers, E-Sanchit, Indian Customs Enquiry for Trade Assistance and Knowledge (ICETRAK), Indian Customs EDI Dashboard (ICEDASH), Secured Logistics Document Exchange (SLDE), Import Clearance System, GHG Calculator, etc. In order to ease maritime trade, efforts are being undertaken on development of port-specific master plans and a coordination mechanism for implementation of the same, upgradation of select Land Customs Stations (LCS) to Integrated Check Posts (ICPs), promoting Free Trade Warehousing Zones, etc.

I would also like to discuss in brief about the performance of various businesses of your Company.

## INDUSTRIAL PACKAGING [SBU-IP]

Balmer Lawrie & Co. Ltd. is the market Leader in this industry with a formidable market share. This is being maintained with technological upgradation and very effective procurement policy. SBU-IP operates through six manufacturing plants on PAN India basis which include the state-of-the-art facility at Navi Mumbai.

After closure of its Kolkata manufacturing plant, SBU-IP continues to serve the Eastern Region market with Tolling Business Model locally. The plant at Vadodara has stabilized and it is currently producing considerable volumes. The main focus of this plant is to cater the needs of Gujarat customers. Modernization of Chittoor plant is in progress. This will improve the productivity and quality of barrels. Further it will take care of the fruit season demand.

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

Balmer Lawrie retained Silver Rating from Ecovadis – a global solutions provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

SBU-IP expects to continue its growth in FY 2022-23. The SBU anticipates significant growth in the coming years with the biggest drivers being Chemicals, Transformer Oils and Lubes segment. SBU-IP also plans to expand aggressively in the Exports segment.

## GREASES & LUBRICANTS [SBU-G&L]

The Company has three manufacturing plants in Kolkata, Silvassa and Chennai. The Company's excellent R&D facility and positive brand image for Greases in the market is one of the biggest strength for SBU-G&L.

The Greases & Lubricants business is divided into three segments: i) Channel Sales [Automotive & Industrial] ii) Direct B2B iii) Contract Manufacturing.

In Channel sales, the growth was flat as the market was recovering from the impact of COVID-19. The Industrial Distributor segment witnessed a growth of 13% over the last FY. In Direct B2B Sales SBU- G&L's focus was on generating business from new customers across industries. In the contract manufacturing segment, SBU-G&L continues to have a presence in order to improve its capacity utilization; however, the volumes have come down significantly over the years.

SBU-G&L improved its overall efficiency through operational excellence across various manufacturing units.

## CHEMICALS [SBU-Chemicals]

Leather processing consists of three stages. First stage-Beamhouse, Second stage- Wet end and the third stage comprising of the Finishing Chemicals segment. SBU-Chemicals is very strong in the second stage.

There is huge scope available in the leather chemicals market

and thus, SBU- Chemicals has its plan to tap the market with both existing and new products. With a complete product basket in hand, SBU-Chemicals has been focusing on the Southern Region where the market potential is higher.

The SBU is a market leader in the Fat liquors segment and a significant market share holder in the Syntan segment. This SBU has enough opportunities to grow in the other segments like Finishing and Beamhouse and has introduced new chemicals in the Beamhouse segment like Wetting agents, Basic Chrome Sulphate (BCS), etc. The SBU also launched a new range of finishing chemicals with modern manufacturing facility.

The SBU has well equipped 'Technical Service Centers' in all the major leather manufacturing clusters in India and renders high quality technical service to the tanneries. The SBU also developed an eco-friendly, metal free tanning process with Glutaraldehyde, which has now become popular in the market.

With a strong brand image, highly competent technical service team and increased product basket, SBU-Chemicals is well positioned to improve the business in coming years.

Apart from the leather chemical business, SBU-Chemicals is also foraying into other synergy chemicals such as textile chemicals and intermediate for agro-chemicals business.

During FY 2021-22, SBU-Chemicals was awarded with Gold Medal in Manufacturing Excellence audit conducted by International Research Institute of Manufacturing (IRIM).

## LOGISTICS INFRASTRUCTURE [SBU-LI]

SBU-LI comprises three main segments viz. Container Freight Stations (CFS) typically set up in the vicinity of ports, Warehousing & Distribution (W&D) and Integrated Check Post (ICP). CFSs are an extended arm of the port set up primarily with a view to decongest ports.

The Company's warehousing and distribution facilities are presently fully operational at Kolkata and Coimbatore. In addition to this, a warehousing and distribution facility is being operated out of Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis over an area of 80000 sq. ft in which includes a cold storage area of 5000 sq. ft since February 2020. CFS, Kolkata added 43000 sq. ft area of warehouse in addition to the existing 37000 sq. ft to increase focus on warehousing activities.

The Company is also working on the management of Integrated Check Post (ICP) operations and already started managing ICP at Jogbani since 2016. The Unit performed well as compared to last year and registered 106% of budgeted volume, 111% of turnover and 110% of budgeted profit. Besides this, the Company is in the process of asserting feasibility of operating other ICPs at different locations.

SBU-LI won the "Logistics Excellence – Innovative Service Provider of the Year" award at the 2<sup>nd</sup> Annual Warehouse & Logistics Excellence Awards 2021 for its innovation in the Logistics industry over the year. The warehousing activity continued to perform well during the year due to better utilization of space and the business segment of Temperature Controlled Warehouses has also started looking up.

SBU- LI is able to bring together a unique set of value proposition to its customers. Within the asset-centric business, SBU-LI

offers a basket of solutions: Container Freight Stations, Ambient Warehouses, ICP catering to land ports and a Multimodal Logistics Hub (through Vishakhapatnam Port Logistics Park Limited). The comprehensive services – offered across pan India locations make SBU- LI a partner of choice for Importers, Exporters, Shipping Lines, CHAs, Freight Forwarders and the trade. So, while there is a wide variety of hurdles for the industry and SBU- LI, it is expected that a combination of diversified service range, pan India presence, technology-led customer centricity and knowledgeable resources will ensure that SBU- LI is able to grow in the face of significant economic crisis inflicted by the pandemic.

During FY 2021-22, SBU-LI was able to achieve 6% growth in terms of imports and 35% growth in terms of exports. However, due to cut throat pricing and competition from industry and reduction in dwell time of containers at CFS, the turnover has been reduced by 20% and profit is reduced by 26% in comparison to last year.

## LOGISTICS SERVICES [SBU-LS]

During the year SBU-LS achieved all-time record turnover of Rs. 458 Crore and a registered top growth of around 24% and moderate growth in bottom line of Rs. 8 Crore respectively as compared to previous year. SBU-LS witnessed significant growth in top line and moderate growth in bottom line despite pressure on margins on account of volatility in ocean freight rates and fixed price contracts.

The growth was driven by incremental business in nearly all activities of our Freight Forwarding notably in Ocean Freight, Air Export and Project Logistics .

SBU-LS was able to retain its major GOI and CPSU customers and was also able to sign some of the new activities from those contracted customers. SBU-LS is now focusing on private business especially in the Air Export segment of perishables by tying up with APEDA and also eyeing the project cargo business of private customers.

Technology being the backbone of customer satisfaction, SBU- LS is in the process of implementing new initiatives like online customer survey feedback and customized IT solutions for faster, dedicated, and focused time bound service and delivery.

Disruption of services due to the COVID-19 pandemic will lead to lot of consolidations amongst the small freight forwarders, which will open gates with various customers for SBU- LS.

SBU-LS is taking adequate steps to mitigate the challenges through its established and growing global associate network and offering its clients single window logistics solutions under one roof. The SBU has revamped its existing technology and has plans to further upgrade it to meet future business challenges.

## TRAVEL & VACATIONS [SBU-T&V]

### TRAVEL

An organisation like Balmer Lawrie is traditionally viewed as one operating through travel counters and implants, catering to in-person requirements and that provides us a significant arena for improvement. We have focused to strengthen our digital presence through development of a revamped B2C website with emphasis towards Vacations and other services on a common platform. Domestic and International ticketing, Hotel Booking and Ancillary services have come together with superior search facility to cater to a wide range of consumer requirements. We are planning to

offer customer-specific booking website to large corporates and have already launched a dedicated website for Government of India employees for their official travel. These digital offerings, along with our counter staff, implants local presence through collaboration & tie ups, will allow us to offer hybrid brick & click solutions to our customers.

The Travel vertical has strengthened its operations, sales and software capabilities, which have led to a significant increase in our client-base. Customers are coming to Balmer Lawrie for tech-rich solutions such SSBT / SBT as we are able to offer holistic cost-effective customized services to our corporate clients. We have successfully acquired premiere private sector clients by demonstrating tech-enabled solutions and commitments of superior service. The Travel vertical has fully utilised the time to gear up for the future demand and we are planning to have centralised ticketing in order to increase our efficiency and ensure a consistent service experience for our customers.

The COVID-19 pandemic has greatly disrupted the Tourism and Hospitality industry. As Balmer Lawrie's Travel business primarily depends on air travel and airlines for its revenue source, the prolonged travel restrictions have had its consequences. As a response, the industry players have tried to reduce costs such as cutting of distribution cost by airlines, denial of segment fee from GDS, reduction of corporate travel budget, usage of technological solutions for meetings and conferences, etc.

However, fortunately there has been a sharp uptick in the industry owing to a confluence of occurrences – slowing of infections after the Omicron wave in the beginning of the year, widespread vaccination, including preventive doses, the opening of international air traffic and all these have led to a sudden upsurge of bookings.

### VACATIONS

Year 2021 ended with a note of promise. The largest vaccination drive against COVID-19 in India has shown a glimmer of hope for the tourism market in the coming year.

From November 15, 2021, India allowed fully vaccinated foreign tourists to visit the country, which in turn will help revive the Indian travel and hospitality sector.

The pandemic has had a debilitating impact on world travel and tourism everywhere, including India, and the resumption of international tourism will continue to depend largely on a coordinated response among countries. Tourism is at crossroads, and the regulations in place today will determine how tourism develops in the future. With surging vaccination rates, travelers are gaining confidence to make holiday plans, leading to the tourism industry seeing early signs of rebound. Indian tourist destinations have risen to prominence as a result of strong pent-up demand and the relaxation of domestic restrictions in the face of the limited reopening of international borders. In the near term, the expectation is that domestic tourism will offer the main chance for driving recovery and supporting the tourism sector.

During the financial year 2021-22, the borders were hardly open and the pandemic second wave in various parts of country adversely affected business leading to reduction in the overall revenue and contribution. There was a growth in overall business of about 3.5 times compared to last financial years. Both Corporate Business and Domestic MICE achieved significant growth compared to last FY. Post pandemic , people are avoiding group tours and are carrying on

with solo trips, hence, there were no GITs while FIT was restricted to few countries as most of the borders were closed during FY 2021-22. The Vacations vertical tried to market virtual events and successfully entered in this segment. Though, there were cancellations of booked tours, yet the vertical was ready with products, trained manpower, upgraded technology and relevant overall strategies to make the coming years fruitful.

### **COLD CHAIN SERVICES [SBU-Cold Chain]**

SBU-Cold Chain was formed in July, 2021 which was initially a part of Logistics Infrastructure.

The major products for the Cold Chain include fruits and vegetables, meat and fish, dairy products and healthcare products. SBU-Cold Chain has four Cold Chain Units operating at Hyderabad, Rai (Haryana), Patalaganga (Maharashtra) and Bhubaneswar (Odisha). To manage the end-to-end supply chain of the Cold Chain operations, SBU-Cold Chain is also operating with 18 number of 4 MT capacity of reefer vehicles on pan India basis. All the reefer vehicles are enabled with GPS for 24x7 monitoring of its location and online temperatures.

There is considerable gap between the demand and existing capacity of organised cold chain service providers in the market for the storage and distribution of various high valued products. This gap presents a significant opportunity for stakeholders associated with the industry. Increase in the number of segment of products opens multiple opportunities to the Company in segments like Quick Service Restaurants, Pharmaceutical, etc. Increased demand in the real time temperature monitoring of products in the entire supply chain is opening multiple doors to Temperature Controlled Vehicles (TCVs) as well.

Storage business comprising the Cold Chain Units saw 32% increase in the sales YoY and the transportation segment including TCVs witnessed approximately 400% increase during the FY 2021-22.

With the improvement in the asset utilisation and the revenue, SBU-Cold Chain is expecting to increase the sales and profitability across locations.

### **REFINERY & OILFIELD SERVICES [SBU-ROFS]**

SBU-ROFS is engaged in the activity of Mechanized Oily Sludge Processing and Hydrocarbon Recovery from Crude Oil Storage tanks and Lagoons. This activity pertaining to pollution prevention and oily waste recycling through recovery of hydrocarbons, is a niche segment in the oil & gas industry.

Balmer Lawrie has been the pioneer in this field and has been the market leader in the Sludge Processing space over the years.

SBU-ROFS intends to leverage its experience in project execution and wide base of satisfied clientele to foray into allied service areas through diversifying its service offerings.

Despite loss of substantial production time due to lockdown measures induced by COVID-19, SBU-ROFS was able to achieve the targeted equipment utilisation for the year.

The demand for sludge processing services is expected to be stagnant in the near term. SBU-ROFS aims to differentiate its offerings in Sludge Processing space through technological upgradation and incorporation of new technologies for reducing processing times and manual intervention in sludge processing.

Alternative processes such as chemical / robotic cleaning technology is also being explored for augmentation of service offerings.

Preference to MSME vendors also poses a significant challenge to the SBU with respect to booking of new orders. Increased competition in the market can put downward pressure on market share as well as profit margins for SBU-ROFS. Other risks include adoption of modern technologies in refineries, which would reduce generation of oil sludge in the storage tanks, thereby limiting the need for sludge processing in the long run.

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

### **OVERALL FINANCIAL PERFORMANCE**

The Company recorded net turnover of Rs. 210484.97 Lakhs during Financial Year 2021-22 as against Rs.159276.79 Lakhs in Financial Year 2020-21, which is an increase of approximately 32.15% over last year. The Company recorded a Profit Before Tax of Rs.17014.45 Lakhs in Financial Year 2021-22 as against Rs.15664.97 Lakhs in Financial Year 2020-21. The increase is being attributable to the easing out effect of the COVID-19 pandemic on the performance of SBU-Travel and Vacations which was severely affected in FY 2020-21 due to the same.

### **CORPORATE GOVERNANCE**

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

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

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

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Balmer Lawrie is committed to conducting its business in a socially responsible manner and be responsive to the needs of society at large. CSR has become an integral part of the Company's functioning. Consistently, the organisation has undertaken various CSR initiatives for the last few decades driving sustainable development and growth for its stakeholders. In line with this, the Company has been driving various projects independently around its units and establishments across the country and has also been supporting various programs

initiated by the Government of India like the Clean India Mission and Skill Development Institutes.

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

Balmer Lawrie is committed to continuously improving its efforts towards its social responsibility, focus on marginalised sections and encourage the employees to contribute in CSR activities. Balmer Lawrie has undertaken various innovative CSR programs. The Company has been successful in its commitment towards CSR programs, and it is constantly making progress for the betterment of the communities.

During the Financial Year 2021-22, a total sum of Rs.1048.15 Lakhs was spent towards various CSR activities by the Company against the total CSR obligation of Rs.441 Lakhs. In view of the COVID-19 pandemic and to meet the emergency supply of oxygen, the

Company has spent Rs.629.23 Lakhs towards PSA oxygen plants in five Government hospitals in Karnataka and Rs.68.35 Lakhs towards procurement of Oxygen Concentrators and Oxygen Cylinders.

## ACKNOWLEDGEMENT

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

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

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

Finally, I must convey my gratitude to my colleagues on the Board for their wise counsel and valued involvement.

**Adika Ratna Sekhar**  
**Chairman & Managing Director and**  
**Director (HR &CA)-(additional charge)**  
**DIN:08053637**

Date : 5<sup>th</sup> August, 2022

## BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting the 105<sup>th</sup> Report of your Company for the FY ended 31<sup>st</sup> March, 2022, together with the Audited Financial Statements, Auditor's Reports and the Comments of Comptroller & Auditor General of India on the Accounts of the Company and other statements/ reports attached thereto.

## FINANCIAL SUMMARY &amp; HIGHLIGHTS

(Rs. in Lakhs)

Over all Financial Results	STANDALONE FINANCIAL RESULTS		CONSOLIDATED FINANCIAL RESULTS*	
	Year ended 31 <sup>st</sup> March		Year ended 31 <sup>st</sup> March	
	2022	2021	2022	2021
Surplus for the year before deduction of Finance Charges, Depreciation and Tax	22269	20753	20617	18972
Deduct there from:				
i. Finance Charges and Depreciation	5254	5089	6938	6694
ii. Provision for Taxation	4734	4020	4734	4019
Profit after Tax (PAT)	12281	11644	8945	8259
Add: Transfer from Profit & Loss Account	81168	82349	104876	105832
<b>Total amount available for Appropriation</b>	<b>93449</b>	<b>93993</b>	<b>113821</b>	<b>114091</b>
Appropriations:				
Interim Dividends	0	0	0	0
Dividend @ Rs. 6.00 per equity share (for FY 2020-21)	10260	12825	10260	12825
Previous Year Rs. 7.50 per equity share (for FY 2019-20)				
Transfer to General Reserve	0	0	0	0
Other Adjustments	0	0	-6521	-3610
Minority interest / Foreign Exchange Conversion Reserve etc.	0	0	0	0
Surplus carried forward to next year	83189	81168	110082	104876
<b>Total of Appropriation</b>	<b>93449</b>	<b>93993</b>	<b>113821</b>	<b>114091</b>

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

## Overview of the state of the Company's Affairs

- The Company recorded net turnover of Rs.210484.97 Lakhs during FY 2021-22 as against Rs.159276.79 Lakhs in FY 2020-21 which is an increase of 32.15% over last year.
- The Company recorded a Profit Before Tax of Rs.17014.45 Lakhs in FY 2021-22 as against Rs.15664.97 Lakhs in FY 2020-21 which is an increase of 8.61% over the last year. The increase is being attributable to the easing out effect of Covid pandemic on the performance of SBU-Travel and Vacations which was severally affected in FY 2020-21 due to the same.

## Transfer to Reserves

The Reserve and Surplus of your Company increased to Rs.114885.52 Lakhs as on 31<sup>st</sup> March, 2022 as compared to Rs.113672.40 Lakhs as on 31<sup>st</sup> March, 2021. During the year, no amount has been transferred to General Reserve.

## SHARE CAPITAL

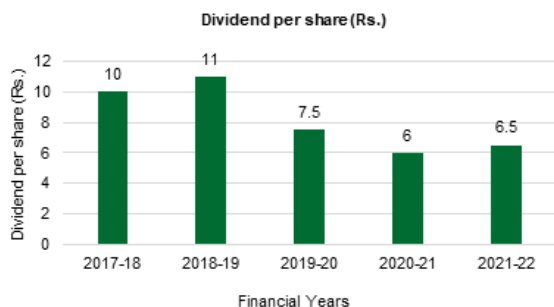
The paid-up Equity share capital of the Company as on 31<sup>st</sup> March, 2022 stood at Rs.1,71,00,38,460 consisting of 17,10,03,846 Equity Shares of Rs.10/- each fully paid up.

The Company has not issued any shares with differential voting rights nor has granted any stock option or sweat equity share.

## DIVIDEND

A dividend of Rs.6.50/- (Rupees Six and Paise Fifty only) per fully paid up Equity Share, on the entire paid up equity share capital of the Company has been recommended by the Board of Directors for FY 2021-22, for declaration by the Members at the ensuing 105<sup>th</sup> Annual General Meeting (AGM) to be held on 27<sup>th</sup> September, 2022. The dividend, if declared, will be paid within statutory time limit of 30 days from the date of such declaration either by way of warrant, demand draft or electronic mode to those Shareholders who would be holding shares of the Company as on the cut-off date i.e. 20<sup>th</sup> September, 2022, (End of Day). In respect of shares held electronically, dividend will be paid to the beneficial owners, as on the cut-off date i.e. 20<sup>th</sup> September, 2022, (End of Day) as per details to be furnished by their respective Depositories, i.e., either Central Depository Services (India) Ltd. or National Securities Depository Ltd. The dividend to be paid shall be subject to Tax Deducted at Source and other applicable provisions of the Income Tax Act, 1961.

The trend of dividend declared by the Company in the past and recommended for FY 2021-22 is depicted below:



Note: The dividends for the FY(s) 2019-20 onwards is on the increased paid up capital upon issue of Bonus shares in the year 2019.

## DIVIDEND DISTRIBUTION POLICY

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

[https://www.balmerlawrie.com/admins/dl\\_u/DIVIDEND\\_DISTRIBUTION\\_POLICY.pdf](https://www.balmerlawrie.com/admins/dl_u/DIVIDEND_DISTRIBUTION_POLICY.pdf)

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

There have been no material changes and commitments affecting the Financial Position of the Company occurred between the end of the financial year and the date of the report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

During the FY 2018-19, the Company had revised the policy for determining material subsidiaries in terms of the amended SEBI Listing Regulations w.e.f. 1<sup>st</sup> April, 2019. The policy may be accessed on the Company's website at the link:

[https://www.balmerlawrie.com/admins/dl\\_u/Policy\\_on\\_Determining\\_Material\\_Subsiary-BL.pdf](https://www.balmerlawrie.com/admins/dl_u/Policy_on_Determining_Material_Subsiary-BL.pdf)

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

## FINANCIAL STATEMENT OF SUBSIDIARY COMPANY

In line with the provisions of Section 136 of the Companies Act,

2013, your Company has placed audited accounts of its subsidiary on its website - [www.balmerlawrie.com](http://www.balmerlawrie.com). Members shall be provided the financial statement of the Subsidiary Company as per requisition made by them in writing.

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

## REPORT ON SUBSIDIARIES

### VISAKHAPATNAM PORT LOGISTICS PARK LIMITED [VPLPL] - SUBSIDIARY

Visakhapatnam Port Logistics Park Limited ('VPLPL') is a joint venture of Balmer Lawrie & Co. Ltd. ('BL') and Visakhapatnam Port Authority (VPA), formed with the objective of building and operating a Multimodal Logistics Hub on a land admeasuring around 53 acres in Visakhapatnam, which was taken on 30 years long term lease from VPA.

VPLPL was incorporated in 2014 under the Companies Act, 2013 with equity contribution in the ratio of 60:40 between the joint venture partners viz BL and VPLPL, respectively.

The Multimodal Logistics Hub (MMLH) facility comprising mechanised warehouses, specialised/temperature-controlled storage solutions, facilities for mechanised material handling and intermodal transfer between container terminals, bulk/break – bulk cargo terminals. This hub provides the facility to handle both bonded as well as non-bonded cargo coupled with offering of value-added services such as customs clearance, sorting/grading/aggregation/disaggregation, etc. to handle freight. The unit is also having rail connectivity of 1.36 KM length, where 4 rakes can be handled in a day. VPLPL has a core and structured sales and operations team for business development and efficient execution.

The mechanised warehouse facility of the JVC covering around 2.5 acres with installed capacity of 1,06,650 sq. ft. had witnessed a tremendous growth in business during the FY 2021-22, whereby its average utilization has increased from 67% (2020-21) to 97% (2021-22) almost 45% increase during the FY 2021-22, as compared to the previous FY 2020-21.

The JVC has a temperature-controlled warehouse facility equipped with frozen & chilled chambers with a capacity of handling 3,780 pallets. During the FY 2021-22, it had also witnessed a remarkable business where the average actual capacity utilization increased from 34% (2020-21) to 95% (2021-22), a stupendous increase of 179% during the FY 2021-22, as compared to the previous FY 2020-21.

The JVC during the year under review experienced a significant increase in demand of its open yard due to its location advantage, convenience of handling cargos and modern operational solution. The customers for this particular business ranges from private entities to PSUs. During the year under review, its average actual capacity utilization increased from 20% to 40%, an increase of 100% during the FY 2021-22, as compared to the previous FY 2020-21.

The railway siding facility during the year under review was able to cater to the growing demands of steel and aluminium exports from Visakhapatnam Port and 123 rakes carrying this cargo were handled at the facility during the year.

VPLPL despite having CFS/ICD infrastructure is not able to handle EXIM cargo due to non-receipt of CFS/ICD license. VPLPL is trying to obtain CFS license for operating a Container freight Station in its new Multimodal Logistics Hub facility in Visakhapatnam. Recently, our Hon'ble Prime Minister has launched PM GATI SHAKTI, which aims to develop cargo terminals with multi-modal mode of transportation. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate the last mile connectivity

of infrastructure and also reduce travel time for people. VPLPL is an existing facility which fits perfectly into the scheme of things for GATI SHAKTI. If VPLPL receives the CFS license then its revenue will increase many folds.

During the FY 2021-22, VPLPL was able to generate total revenue of Rs.14.01 Crores as against Rs.9.34 Crores earned in the previous year 2020-21. However due to depreciation and interest on borrowing, VPLPL ended up the year 2021-22, with a loss of Rs.8.21 Crores, as compared to the previous year's loss of Rs.12.59 Crores.

### **BALMER LAWRIE (UK) LTD. [BLUK]**

Balmer Lawrie (UK) Ltd. (BLUK) was a 100% foreign subsidiary of your Company incorporated in the United Kingdom. During the FY 2021-22 in furtherance to the application made by the Company, it had been struck off by the Registrar of Companies at UK on 21<sup>st</sup> September, 2021 and finally dissolved with effect from 28<sup>th</sup> September, 2021.

### **REPORT ON JOINT VENTURES**

#### **BALMER LAWRIE (UAE) LLC (BLUAE)**

Balmer Lawrie (UAE) LLC follows calendar year for its financial statements and hence, the report depicts the performance of the calendar year 2021 and Q1 of 2022.

COVID-19 caused deep output losses of about -4.5% to -6.52%, which is a Global negative effect on the economy. The contraction activity was unprecedented. Fresh rounds of eruptions of the infections caused a serious impact on operations globally. The UAE economy contracted by -3.5% as per IMF projections. The non-oil hydrocarbon sector contracted by 6% for the first half of 2020, as strict lockdown, travel bans, and supply chain disruptions constrained tourism, construction and trade activities.

The end in January of the Qatar blockade, of which the UAE was one of the main drivers was expected to revitalize regional trade and financial flows. Together with taming of the pandemic and the opening of Israel, the end of this regional crisis has increased the growth forecast in 2022.

Balmer Lawrie (UAE) LLC despite severe constraints, performed the best ever in the history of the organization. Turnover crossed half a billion Dirhams and profits also all-time highest in last 46 years the company witnessed.

The company expanded its customer bases to several countries such as Pakistan, India, Sri Lanka, Yemen, Oman, Mauritius, Seychelles, Nigeria, Guinea, Saudi Arabia, Kuwait, Bahrain, etc.

In spite of the challenges overall performance was extraordinarily good. In three of its product verticals, sales were at all-time highest. Rest other products due to demand and logistics issues the physical numbers remained the same or higher than FY 19-20. The sales were restricted due to logistics issues and Raw Materials availability.

The operational efficiency of all the product lines was higher than 90%, which helped the company to be a cost-effective manufacturer.

The company is focusing to be technology driven company and as such several IT initiatives have been launched for customer delight as well as improvement of productivity/efficiency of the company. The company has also initiated several "Sustainability" actions by value Engineering and PCR usage/reduction of power consumption, etc.

The company is facing intense local competition as well as from Saudi Arabia, Iran, Turkey, and China. Despite several challenges, the company is continuing to maintain its Market Leadership in all products and is poised to grow further in 2022.

#### **BALMER LAWRIE-VAN LEER LTD. [BLVL]**

At Balmer Lawrie-Van Leer Ltd. (BLVL), the performance for FY 2021-22 has been excellent, with the economy on the recovery path the

company is optimistic of future growth.

During the year under review, there was a need to run the factories at full capacities and commission new manufacturing capabilities to bring the product punctuality and on-time delivery to the market. The manufacturing facilities at Mumbai, Dehradun, Bengaluru and Chennai were fully operational. The new factory at Dahej commenced its commercial production since July, 2021 and sales were made from the unit evenly during the year.

The financial performance for the year recorded the highest revenue of Rs.586 Crores which was Rs.428 Crores in the previous year. The PBT for the FY 2021-22 stood at Rs.50.42 Crores as against Rs.32.42 Crores the previous year. The Steel Drum closure units of BLVL at Turbhe and at Bengaluru have been able to increase the turnover and earnings as compared to the previous year. The Divisions exports were Rs.177 Crores which is 60% of the division's turnover. The Management team overcame the challenges in international trade and converted it into an opportunity. The Plastic Division at Turbhe, Dehradun & Chennai have recorded improved turnover and earnings in the current year whereas, the Dahej unit started its commercial production since July, 2021, and could marginally perform. The overall performance of both, Steel Drum Division and Plastic Drum division was higher in comparison to the previous year.

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

For the FY 2021-22, AVI-OIL has achieved sales volume of 948 KL of lubricants blended, 26 MT of greases reprocessed and packed.

During the FY 2021-22, the company achieved the net sales of Rs.5,371.08 Lakhs as compared to the previous year net sales of Rs.4,079.79 Lakhs.

The Profit before Tax (PBT) for the FY 2021-22 was Rs.912.50 Lakhs as compared to previous year PBT of Rs.421.75 Lakhs. The increase is mainly due to increase in sales and increase in other income. The Profit before Depreciation, Interest and Tax (PBDIT) for the FY 2021-22 is Rs.1,292.76 Lakhs as compared to the last year PBDIT of Rs.785.06 Lakhs.

#### **PT BALMER LAWRIE INDONESIA [PTBLI]**

PT Balmer Lawrie Indonesia (PTBLI) is a 50:50 joint venture company between "PT Imani Wicaksana", Indonesia and "Balmer Lawrie & Co. Ltd.", India. The company was formed in 2010. The business of the Joint Venture is to manufacture and sale of greases and lubricants and can be broadly categorized into:

- Processing Business
- Direct Sales
- Institutional Sales

During FY 2021-22, PTBLI achieved a turnover of Rs.5854 Lakhs and net profit of Rs.641 Lakhs against a turnover of Rs.4611 Lakhs and net profit of Rs.206 Lakhs during previous FY.

#### **TRANSAFE SERVICES LTD. [TSL]**

As reported in the Annual Report of the Company in the previous year, in furtherance to the National Company Law Tribunal (NCLT) Order dated 9<sup>th</sup> April, 2021, the shareholding of Balmer Lawrie and Co. Ltd. in TSL stands cancelled, extinguished and annulled from the Plan effective date.

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

- a. During FY 2021-22, Balmer Lawrie (UK) Ltd., a foreign subsidiary of the Company in furtherance to its application had been struck off by the Registrar of Companies at UK on 21<sup>st</sup> September, 2021 and finally dissolved with effect from 28<sup>th</sup> September, 2021.
- b. During the year 2021-22, in furtherance to the NCLT Order dated 9<sup>th</sup> April, 2021, the shareholding of BL in TSL stood cancelled, extinguished and annulled from the Plan effective date.



## MEMORANDUM OF UNDERSTANDING (MOU)

Every year your Company signs an MOU with the Government of India, Ministry of Petroleum and Natural Gas (MOPNG) based on guidelines issued by the Department of Public Enterprises (DPE). The MOU targets include revenue from operations, operating profit to Revenue, PAT/Net Worth, capital expenditure, inventory and receivable management, capacity utilization and new product development, etc. Periodic review on achievement of MOU was carried out throughout the year. MOU evaluation for the FY 2020-21 has been received. The rating of the Company was "Good".

## HUMAN RESOURCE MANAGEMENT (HRM)

The organization believes that its success depends on the alignment & performance of its people. In order to create value for the organization and based on the long-term plan and current realities, the following domains have been the focus areas of Human Resource Management in the FY 2021-22:

- To ensure the organization has the right people, in the right job, at the right time.
- Enhancing employee productivity to reach the best in class levels and support the vision of the Company of becoming a leading diversified corporate entity having market leadership with global presence in the chosen business segments.
- Consistently deliver value to all stakeholders and focus on enhancing employee engagement and employee experience.
- Continue to build employee capability, upgrading leadership and manage talent & employee performance across all levels of the workforce.

### (a) Talent Acquisition

In today's intensely dynamic markets, the Company has successfully inducted 28 (Twenty Eight) Executives and 24 (Twenty Four) Officers (Non-Unionized Supervisors) during the year to reinforce the Company's performance and bolster the Company's capabilities in all business areas.

### (b) Learning and Development

Learning and Development in BL has been with a strong focus on alignment to business goals. With the objective of enhancing the functional and leadership competencies, extensive training programs for employees in line with the business requirement of the Company, both in the areas of general management and specialist skill development were planned and executed. In all 1940+ Training days were achieved which included both in-house and external programmes for all categories of employees during the year.

The Company has always strived to explore and implement modern and contemporary pedagogy for effective learning. There is an increasing emphasis on Technology Driven Platforms, however, we maintain a judicious blend of various methods like classroom lectures, experiential learnings, video & web platform-based learnings, etc.

Our most innovative talent development initiative implemented in the recent past has been using multi-media based visual digital learning. We used movie based micro learning modules which used a mix of films (actor based), seamlessly integrated with concepts of Sales (Fundamentals of selling skills and remote sales) through a powerful instructional design with a range of interactive technology features.

The Company has associated with IIM Lucknow to build and develop its leadership pipeline through a three-tier-modular Management Development Program. These programs are complemented with structured Coaching/ Mentoring programs, for which the Company relies on development of internal coaches/ mentors and have detailed processes being laid out and rejuvenated from time to time.

Going forward, our Company also has plans of implementing Competency linked programs (based on competency and value assessments) and Leadership Development Programs which includes training and grooming young and senior leaders.

### (c) Managing Performance

Based on the Competency Framework developed for all Executive grades, the Company has implemented a Competency Linked Performance Appraisal System for all Executives. With a view to ensure timely completion of Performance Management Appraisals, the process has been e-enabled for Executives upto grade E-8. Our Company has maintained 100 % online submission of ACR/APAR in respect of all Executives (E0 and above) along with compliance of prescribed timelines w.r.t writing of ACR/APAR during FY 2021-22.

### (d) Employee Engagement and Welfare

An effective work culture has been established in the organization which encourages participation and involvement of employees in activities beyond work. Towards furthering this, during the year the 156<sup>th</sup> Foundation Day and other employee engagement programs including periodical Sports and Cultural activities, etc. were organized in all units and establishments across the country. The employees participated in large numbers and made the event a memorable occasion. Company through its Suggestion Scheme has been encouraging employees to come up with innovative ideas and suggestions.

### Welfare & representation of SCs, STs, OBCs, PwBDs, EWS

During the year, in the Executive & Officers [NUS] cadre, 11 (Eleven) employees in the SC category, 11 (Eleven) employees in the OBC category, 5 (Five) employees in the ST category, 1(one) PwBD and 4 (Four) women employees were recruited.

The actual number of employees belonging to special categories, Group-wise, as on 31<sup>st</sup> March, 2022 is given below:-

Group	Regular Manpower as on 31.03.2022	SC	ST	OBC [*]	PH	Women	EWS	Minorities
A	494	60	7	88	5	67	1	30
B	207	37	7	56	5	22	2	16
C	44	1	0	15	1	8	0	2
D [including D1]	191	22	4	50	6	4	0	35
<b>Total</b>	<b>936</b>	<b>120</b>	<b>18</b>	<b>209</b>	<b>17</b>	<b>101</b>	<b>3</b>	<b>83</b>

[\*] On and from 08<sup>th</sup> September, 1993 onwards

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

In compliance with the above Acts, the Company has implemented reservation rosters including 4% reservation for persons with benchmark disabilities. During the FY, the Company has also developed and implemented 'Equal Opportunity Policy' in accordance with the provisions of the Rights of People with Disabilities Act, 2016 and Rights of Persons with Disabilities Rules, 2017.

### Employee Relations

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

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

## Implementation of Official Language

To ensure implementation of Official Language policy of the Government of India, our Company has taken several steps to promote usage of Hindi in official work. Various activities like 19 workshops were organized during the year in which 306 employees were trained on usage of Hindi in Official work. Hindi Pakhwada was celebrated at all locations of the Company during the month of September, 2021.

We have also trained 51 employees in Hindi Prabodh, Praveen and Pragma courses. Issue of Balmer Lawrie Organizational Gazette (BLOG) for October, 2021 was released completely in Hindi. Similarly, Balmer Lawrie online monthly (BLOOM) Bulletin was also released bilingually. Implementation of the Official Language Policy is top driven in our Company and used Hindi in all our activities of CSR, Company's Foundation Day, Town hall meetings, World Environment Day, Safety Week, Vigilance Awareness Week, International Women's Day and Quami Ekta Week. As a helping literature to use Hindi in Official work, file covers are now being printed with bilingual designations / Daily routine notings.

## Empowerment of Women

In an endeavour to promote diversity and inclusion, adequate representation of women personnel across business verticals and regions has always been ensured. Efforts have been made at all times to create an atmosphere conducive and safe for women employees to join and build a career in this organization.

We have representation of women in our manufacturing businesses like Chemicals, Industrial Packaging, Greases and Lubricants, despite the fact that a large chunk of our workforce constitutes of shop floor workers. We have had generations of women leaders as full time/ independent/ Government Nominee Directors, leading Businesses like Travel and Functions like Secretarial division. At present, we have women holding key positions in businesses and functions who are continually nurturing and developing the organization and making Balmer Lawrie an organization of excellence.

Like each year, this year too the Company organized various programs during its Women's Day Celebration for Women Personnel across Regions.

## Welfare of the Weaker Sections

The Company policy does not permit employment of any person below the age of 18, directly or through contractor, in any of its businesses. To ensure this, the age of all candidates for employment is verified at the time of recruitment and recruitment rules ban employment of persons below 18 years. It also does not buy goods/products from agencies that use child labour.

The Company does not practice any form of discrimination or bias in matters related to hiring of employees, their career planning, training and development, promotion, transfers or on remuneration and perquisites. All sections of employees, including women, are given equal opportunities and the Human Resource Policy is to advance the cause of meritocracy and foster development of employees, including learning and growth.

The Company does not practice any discrimination, in matters relating to recruitment, compensation, promotion, training on the basis of religion, caste, region, political affiliation or sex, excepting positive discrimination in hiring of employees to give effect to constitutional guarantees for socially backward / underprivileged groups like SC / ST / OBC / Minorities / EWS/ Persons with benchmark disabilities.

In all recruitments where there are candidates from SC / ST / OBC communities, the Selection Committee has a member from the reserved community to ensure that the interest of these communities is safeguarded.

## Sports Promotion

Our Company encourages participation in various inter-regional sports activities by its employees. Our Company is also a member of the Petroleum Sports Promotion Board.

## Web link for accessing various policies of the Company:

As a part of effective Corporate Governance, various codes such as 'The Code of Conduct for Board Members and Senior Management', 'Conduct Discipline & Review Rules for Executives and Officers' and policies such as 'HSE Progressive Disciplinary Policy', 'Related Party Transactions Policy', etc. are uploaded on the Company website. The same can be accessed on the following link - [https://www.balmerlawrie.com/static/codes\\_&\\_policies\\_](https://www.balmerlawrie.com/static/codes_&_policies_).

## Disclosures regarding the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

### Internal Committee (IC)

Our Company has Internal Committees in all four regions namely Eastern, Western, Northern and Southern Region (separate ICs have been constituted in Bangalore, Hyderabad and Chennai) of the country under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following details are furnished:

- Number of complaints filed during the financial year – Nil
- Number of complaints disposed of during the financial year – 1 (One)
- Number of complaints pending as on end of the financial year – Nil

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

### Annual Report on CSR Activities

#### 1. A brief outline of the Company's CSR policy

##### CSR Policy

##### Vision

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

##### Mission

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

##### Objectives

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

## Guiding Principles

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

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

## Corporate Social Responsibility

CSR is continuing commitment by businesses to combine social and environmental concerns in their business operations. India became the first country to legislate the need to undertake CSR activities and mandatorily report CSR initiatives under the new Companies Act, 2013. This is the beginning of a new era for CSR in India. The New Act has introduced far-reaching changes that affect company formation, administration, and governance, and incorporates an additional section i.e. Section 135 – clause on Corporate Social Responsibility obligations (“CSR”) for companies incorporated in India. The clause covers the essential prerequisites pertaining to the execution, fund allotment, and reporting for successful project implementation. The primary objective of the mandate is to invest in the socio-economic, cultural and environmental upliftment of

the communities. The holistic empowerment of disadvantaged communities requires sustainable approaches to achieve common community goals. As an initiative towards the collective community well-being, CSR is a positive step towards promoting quality health, education, livelihood, care and protection while ensuring environmental sustainability and ecological balance. Balmer Lawrie is committed to conducting its business in a socially responsible manner and be responsive to the needs of society at large. Consistently, the organization has undertaken various CSR initiatives for the last few decades driving sustainable development and growth for its stakeholders. In line with this, the Company has been driving various projects independently around its units and establishments across the country and has also been supporting various programs initiated by the Government of India like the Clean India Mission and Skill Development Institutes. CSR has become an integral part of a company’s functioning and today it has become important that a firm demonstrates such responsibility.

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

To extend our commitment towards a sustainable society Balmer Lawrie has undertaken various innovative CSR programs. The Company has been successful in its commitment towards CSR programs and it is constantly making progress for the betterment of the communities. With the advent of the various National flagship programs launched by the government the Company is building a partnership with the organizations that can access the needs of the communities and can deliver the Company’s CSR commitments as per the program goals.

Balmer Lawrie takes pride in furthering the initiatives which come under the purview of CSR by engaging with impactful specialized organizations and in keeping with the DPE guidelines, the Companies Act, 2013 and Schedule VII of the Companies Act, 2013.

## 2. Composition of CSR Committee as on 31<sup>st</sup> March, 2022

SI. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Arun Kumar	Chairperson, Independent Director	5	5
2	Shri Anil Kumar Upadhyay	Member, Independent Director	5	5
3	Shri Bhagawan Das Shivahare	Member, Independent Director	5	4
4	Shri Adika Ratna Sekhar	Member, Chairman & Managing Director, Director [HR & CA] (additional charge) and Director [Manufacturing Business] (additional charge) [Wholetime, Executive Director]	5	5
5	Shri Adhip Nath Palchadhuri	Member, Director (Service Businesses), [Wholetime, Executive Director]	5	5
6	Shri Sandip Das	Member, Director (Finance) & CFO [Wholetime, Executive Director]	5	5

3. The web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

<https://www.balmerlawrie.com/static/committees>

[https://www.balmerlawrie.com/static/codes\\_&\\_policies](https://www.balmerlawrie.com/static/codes_&_policies)

<https://www.balmerlawrie.com/static/csr>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)- The Impact Assessment Report will be uploaded on the official website of the Company in August, 2022. The company has appointed an external agency for the study.

5. The Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - NA

Sl. No.	Financial Years	Amount available for set off from preceding Financial years (in Rs.)	Amount required to be set-off for the Financial years, if any (in Rs.)
N.A.	N.A.	N.A.	N.A.

6. Average net profit of the Company as per section 135(5) - Rs.22,049.96 Lakhs
7. (a) Two percent of average net profit of the Company as per section 135(5) – Rs.441.00 Lakhs  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years - N.A.  
 (c) Amount required to be set off for the FY, if any – N.A.  
 (d) Total CSR obligation for the FY (7a+7b-7c) - Rs.441.00 Lakhs
8. (a) CSR amount spent or unspent for the FY: 2021-22

Total Amount Spent for the FY: 2021-22 (in Rs. / Lakhs)	Amount Unspent (in Rs. / Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1048.16	-	-	-	-	-

- (b) Details of CSR amount spent against **ongoing projects** for FY: 2021-22.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII of the Act	Local areas (Yes/ No)	State	District	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current FY (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of implementation Direct (Yes/No)	Name	CSR Registration No.
-	-	-	-	-	-	-	-	-	-	-	-	-

- (c) Details of CSR amount spent against **other than ongoing projects** for the FY: 2021-22

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	State	District	Amount spent for the project (Rs. in Lakhs)	Mode of implementation Direct (Yes/No)	Name	CSR Reg. No.
1	Sponsoring of 2 classes of Indian Institute Cerebral Palsy (IICP)	Education	Yes	West Bengal	North 24 Parganas	15.00	No	Indian Institute Cerebral Palsy (IICP), Kolkata	CSR00001730
2	Ekal Vidyalays, One Teacher School for Tribal Children	Education	Yes	West Bengal	South 24 Parganas	10.00	No.	Friends of Tribal Society	CSR00001898
3	Capacity Building on Health, Hygiene and Education	Swachh Bharat Abhiyan (Health & Sanitation)	Yes	Dadra & Nagar Haveli	Silvassa	20.00	No	Swadeep Sikshan Vikash Sanstha	CSR00000116
	Distribution of mask, sanitizer, PPE kits, etc.		Yes	All India	-	12.91	Yes	Balmer Lawrie	NA
4	Mobile Health Van for Old Age People	Health	Yes	Tamil Nadu	Chennai	25.00	No	Help Age India	CSR00000901
5	Women Empowerment through Livelihood	Women Empowerment	Yes	Maharashtra	Raigad	11.00	No	Saksham Foundation	CSR00000416
6	Street Medicine Program in Slum Areas	Health	Yes	West Bengal	Kolkata	5.47	No	Calcutta Rescue	CSR00002329

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SI. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Reg. No.
7	PSA Oxygen Plants in 5 Govt. Hospitals	COVID 19	No	Karnataka	-	629.23	Yes	Balmer Lawrie	Govt. Hospitals
8	Procurement of Oxygen Concentrators and Oxygen Cylinders	COVID 19	Yes	Delhi, Tamil Nadu, West Bengal, Maharashtra, Andhra Pradesh	New Delhi, Kolkata, Mumbai, Chennai, Chittoor	68.35	Yes	Balmer Lawrie	NA
9	Funds for Skill Development Institutes	Skill Development	Yes	Odisha	Bhubaneswar	100.00	No	SDI-Bhubaneswar	CSR00003934
			Yes	Andhra Pradesh	Visakhapatnam	25.00	No	SDI-Visakhapatnam	CSR00003572
			Yes	Uttar Pradesh	Raebareli	35.00	No	SDI-Raebareli	CSR00013353
			Yes	Assam	Guwahati	25.00	No	SDI-Guwahati	CSR00020128
			Yes	Gujarat	Ahmedabad	25.00	No	SDI-Ahmedabad	CSR00020127
10	Installation of Generator in Senior Citizens Home	Elderly	Yes	Tamil Nadu	Abhirampuram	4.50	No	Manolayam Seniors Citizen's Home	CSR00010888
11	Fund for Assam Flood	Disaster Response	Yes	Assam	-	10.00	No	Govt. of Assam	Govt. Entity
<b>Total</b>						<b>1021.46</b>			

- (d) Amount spent in Administrative Overheads.  
 Administrative Overhead: Rs.24.85 Lakhs  
 Miscellaneous: Rs.1.15 Lakhs
- (e) Amount Spent on Impact Assessment, if applicable: Rs.0.70 Lakhs
- (f) Total Amount spent for FY (8b+8c+8d+8e): Rs.1048.16 Lakhs
- (g) Excess amount for set off, if any: Rs.607.16 Lakhs

SI. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135 (5)	441.00
(ii)	Total amount spent for the FY 2021-22	1048.16
(iii)	Excess amount spent for FY 2021-22 [(ii)-(i)]	607.16
(iv)	Surplus arising out of the CSR Projects or programmes of activities of the previous Financial years, if any	0
(v)	Amount available for set off in succeeding Financial years [(iii)-(iv)]	607.16

9. (a) Details of unspent CSR amount for the preceding three Financial years: NA

SI. No.	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting FY (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.			Amount remaining to be spent in succeeding FY (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SI. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.)	Cumulative amount spent at the end of reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs.)	Status of the project- Completed/Ongoing
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)- NA
- (a) Date of creation or acquisition of the capital asset(s)- NA
- (b) Amount of CSR spent for creation or acquisition of capital asset- NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.- NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).- NA
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - NA

**Shri Adika Ratna Sekhar**  
**Chairman & Managing Director and**  
**Director (HR & CA) - (additional charge)**  
**(DIN 08053637)**

**Shri Rajeev Kumar**  
**Independent Director**  
**(DIN 09402066)**

### **BUSINESS RESPONSIBILITY REPORT**

Business Responsibility Report of the Company as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the FY ended 31<sup>st</sup> March, 2022 is attached as 'Annexure 2'.

### **OCCUPATIONAL HEALTH & SAFETY**

Your Company accords high priority to Employee Health & Safety. In pursuance of this, your Company has established an integrated Health & Safety Management System across the organisation. Your Company has published an HSE Manual which is being used as a reference book in plants and other establishments of your Company. Corporate HSE Department conducted trainings / workshops on Behaviour Based Safety, Process Safety, Sustainable Development for employees and other stakeholders. Your Company carries out HSE audits for all its Manufacturing Units, Container Freight Stations (CFS) and Cold Chain (CC) units as per the approved HSE audit protocol. Your Company has also introduced an HSE MIS system for all Manufacturing, CFS and CC units. Every plant / CFS / CC unit submits a monthly HSE MIS to Corporate Office enabling it to take corrective steps. Major plants / units of your Company are OHSAS 18001 certified. All Occupational Health & Safety Standards are adhered to as per the Factories Act, 1948.

Major initiatives / activities undertaken in this domain in FY 2021-22 are as follows:

- HSE Audits were carried out in manufacturing and service units / establishment of your Company during the year and recommendations thereof implemented.
- HSE awareness training was conducted for permanent employees and contract workers.
- The 51<sup>st</sup> National Safety Week was observed from 4<sup>th</sup> to 10<sup>th</sup> March, 2022 in all units / establishments across the country. The week commenced on 4<sup>th</sup> March, observed as National Safety Day, with the administering of the safety pledge and reading out of message of Chairman & Managing Director. In line with the theme, various programs were organised over the week. The programs included extempore, quiz, mock drills, safety slogan and essay writing competitions.

### **Environmental Protection and Sustainability:**

Being fully committed towards the protection and conservation of the environment, your Company has taken various initiatives to minimize the pollution load of operations. Treatment and disposal of effluents conform to the statutory requirements. Air emissions norms also strictly adhere to the norms laid down in the Environment Protection Act, 1986. Disposal of hazardous waste is done strictly as per Hazardous Waste and other Waste Rules, 2016. All Plants and major establishments of the

Company are certified to environment standards ISO 14001. The Company has in place a comprehensive Long-Term Integrated Sustainability Plan which lays down the sustainability policy, program framework, governance structure, communication, etc.

Balmer Lawrie published its Sustainability Report and Business Responsibility Report for the FY 2020-21 and it has been uploaded on the Company's website.

Some of the other initiatives / activities taken up by your Company in this domain in FY 2021-22 include:

- SBU-IP - Manali (Chennai) reduced the use of cleaning water at the rate of one liter per barrel saving 400 KL of water per year.
- The Manali complex installed Sewage Treatment Plant (STP) of 50 Cu M per day. Treated water is used in flush tank of toilet and for container washing and gardening.
- SBU-G&L - Silvassa shifted manufacturing of some greases like Graphite Grease to the Bitumen Plant to reduce environmental pollution of the plant.
- In SBU-G&L – Kolkata, the Effluent Treatment Plant (ETP) treated water is reused for cooling tower, gardening, road cleaning and fire water. At the cooling tower and ETP, automatic level controllers are used for optimum water usage. Push type water tap was installed at the HR and Administration building to reduce water usage.
- In SBU-G&L – Silvassa and CC – Patalganga, Rain water harvesting is done.
- Balmer Lawrie establishments across India planted large number of trees during the last FY 2021-22. This creation of green cover aims to reduce the overall carbon footprint. Further, on the occasion of World Environment Day, 2021 online quiz and essay competition on environment were organized for all employees to create awareness.
- In SBU-Chemicals – Manali, residual water is collected after washing the reactor after completion of a batch and then it is reused in the same process in the next batches.
- SBU-IP - Asaoti installed a solvent extraction system to extract the used thinner from paint waste.
- The Company has continued its efforts at technological up-gradations in its manufacturing processes to ensure that adverse impact of operations in the environment are minimised.
- Our R&D team continuously works to identify raw materials, processes and technologies, which will have minimum impact on the environment. The Application Research

Laboratory of the Company has made significant progress in developing a number of biodegradable lubricants. Continuous trainings are being imparted to our workforce on the latest development in the lubricant industry.

- The Company has till date installed solar plants with a total capacity of 626 KWp in seven different sites at Asaoti, Navi Mumbai, Chennai, Patalganga, Rai and Silvassa (two locations). This helps Balmer Lawrie to offset approximately 950 tons of carbon dioxide per year from its manufacturing and cold chain operations.
- Single use plastic is banned in all plants of Balmer Lawrie.

## COMMUNICATIONS & BRANDING INITIATIVES

The various internal communication and branding initiatives driven during the FY 2021-22 to create employee bonding and enhance the process of information sharing in Balmer Lawrie are as follows:

- Regular publication of the Daily Media Update (a news report for the Ministry and Top Management team, covering news on BL, news from the Oil & Gas sector and initiatives of the Government).
- Regular publication of the Weekly Media Update (a news report for employees covering news on BL, news related to Government of India (GOI) and Public Sector Enterprises and news from the verticals that we do business in), BL Online Monthly Bulletin (monthly newsletter) and BL Organizational Gazette (the quarterly house magazine). These publications are available on the Company's intranet and website. BL Online Monthly Bulletin is being published in Hindi since August, 2019.
- Internal events like celebration of Foundation Day, etc. to enhance employee engagement.
- Continuous communication on prevention of containment of COVID-19 at the workplace.

The external communication initiatives, especially from a branding perspective and achievements are as follows:

- Media Coverage: Corporate Reports in business magazines / newspapers / television & online media and coverage of key organization events and CSR initiatives, etc.
- Branding in virtual Exhibitions and Corporate events highlighting BL as market leader in the various businesses it operates.
- Regular updates related to company events, initiatives of Hon'ble Prime Minister and MOPNG are posted on the BL Facebook, LinkedIn and Twitter pages.
- Branding of Swachh Bharat Abhiyan and other similar initiatives.
- Branding support for SBU-Travel & Vacations with respect to Digital Marketing.
- Marketing collaterals and social media campaign for SBU-Cold Chain; Microsite for Cold Chain developed.
- New 'Balmol' logo for SBU-Chemicals developed.
- Support to HR Department for participation in various industry awards.
- Branding in Azadi Ka Amrit Mahotsav initiatives by MOPNG and Department of Public Enterprise (Ministry of Finance), GOI highlighting BL's contribution to nation building.

## INFORMATION TECHNOLOGY

Your Company is committed to adapt competitive & latest information technology solutions to enhance the business value and simplify business processes. Your Company has already implemented a SAP system for manufacturing SBUs, Accounts & Finance solution for all its businesses and corporate functions like HR.

In a constant endeavour to meet the business demands with technology solutions, your Company has always put the best efforts consistently and implemented apt technology solutions. Your Company developed an IT strategy to migrate existing SAP landscape to S/4 HANA.

Your Company implemented Security solutions to protect its applications and data from cyber-attacks.

Your Company implemented IT solution for Temperature Controlled Warehouse – Bhubaneswar. Your Company implemented Sea Cargo Manifest and transport Regulation by integrating with Customs application ICEGATE. Your Company integrated with Bangalore Airport for export consignment registrations.

Though, the Pandemic has significantly impacted Travel and Vacations businesses, the Company utilized this lull period to consolidate its technology solutions of SBU-Travel and Vacations. International ticketing is made available to all customer segments. Hotel Booking facility is introduced. A mobile application is introduced. A dedicated travel portal is developed for Government employees to book airline tickets. The travel and vacation applications are integrated.

Your Company implemented a Disaster Recovery Solution to meet the statutory requirements as well as customer needs. Your Company is looking positively to grow its business with technology as its backbone.

## PROGRESS ON PRINCIPLES UNDER 'GLOBAL COMPACT'

Your Company is a founder member of the UN Global Compact, and it remains committed to further the principles enumerated under the Global Compact programme. The details of various initiatives taken in this regard can be found in the 'Communication of Progress (CoP)' and the 'Message of Continued Support to Global Compact', published by Corporate Communications and uploaded on the website of the Company ([www.balmerlawrie.com](http://www.balmerlawrie.com)).

Your Company's C&MD in his 'Message of Continued Support to Global Compact' said that the Company focused on its ESG objectives and took forward various activities as part of the Start-up Fund, CSR and HSE initiatives. Balmer Lawrie launched the Round 3 Startup Fund program in association with IIM Calcutta Innovation Park with the objective of creating a vibrant ecosystem aimed at fostering entrepreneurship and promoting innovation. Total corpus of Rupees three Crore has been earmarked for the program. The Company sponsored the installation of Pressure Swing Adsorption (PSA) oxygen plant of adequate capacity at five Government hospitals in the state of Karnataka. Confederation of Indian Industry (CII) has been engaged for the preparation of Business Responsibility Report [BRR] and Sustainability Report [SR] for FY 2021-22 and BRSR FY 2022-23 and FY 2023-24 of Balmer Lawrie.

It is a matter of great pride that the Silvassa plant of SBU-Greases & Lubricants (G&L) and the Chennai plant of SBU-Chemicals won Gold medal as part of the National Award for Manufacturing Competitiveness (NAMC) instituted by International Research Institute for Manufacturing (IRIM). SBU-Industrial Packaging was awarded a silver medal in recognition of sustainability by Ecovadis, the world's largest and most trusted provider of business sustainability ratings in December, 2021. The Sustainability Scorecard illustrates performance across 21 indicators in four themes - Environment, Labor and Human Rights, Ethics and Sustainable procurement. This is testimony to our commitment to the sustainability roadmap and motivates us to do more in the future.

## DISCLOSURE ON IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

The Right to Information (RTI) Act, 2005 was enacted by Government of India with effect from 12<sup>th</sup> October, 2005 to promote openness, transparency and accountability in functioning of Government Department, PSUs, etc.

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

Information sought under RTI Act, 2005 is being provided within the prescribed time-frame and details of which for FY 2021-22 are shown in the table below: -

	Opening Balance as on 01.04.2021	Received during the Year (including cases transferred to other Public Authority)	No. of cases transferred to other Public Authorities	Decisions where request/ appeals rejected	Decisions where requests/ appeals accepted	Closing balance as on 31.03.2022
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Requests	26	122	0	0	122	26
First Appeals	1	15	0	12	3	1

**(A) CONSERVATION OF ENERGY –**

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

Balmer Lawrie has always considered energy and natural resource conservation as a major focus area and has been consciously making efforts towards improving the energy performance year on year. Energy conservation policy is formulated and deployed across all the locations for Sustainable Development. Your Company has taken various measures to not only reduce the consumption of energy through use of energy efficient equipment but has also focused on renewables as a source of alternative energy thereby reducing the load of carbon emission.

- SBU-G&L - Kolkata installed application for monitoring maximum demand reading with max MD tripping facility at HT Breaker. This helped in saving 50 KW Max demand for the plant.
- SBU-G&L - Silvassa replaced significant number of roof sheets with transparent ones in the lube oil plant to infuse more sunlight in the plant during daytime.
- Balmer Lawrie across all its plants and establishments replaced conventional light fittings with LED light fittings thus, saving electrical energy.
- SBU-G&L - Silvassa installed 5-star Air Conditioners (ACs) to reduce energy usage.
- SBU-LI - Container Freight Station (CFS) - Kolkata installed five high efficiency Cassette type ACs, which helped in reducing electricity usage.
- SBU-Chemicals - Manali monitored the process cycle time and reduced the process time successfully. In process quality checking is done to reduce idle time. Spray Dryer operation is carried out in the night hours. This reduces the energy usage and the SBU gets rebate from the Tamil Nadu Electricity Board (TNEB).
- SBU-G&L - Manali consolidated batch volume to reduce energy wastage.
- In SBU-Cold Chain – Hyderabad and Rai, automation of OHSD Dock Doors have been done to control cooling effect thus, reducing electricity usage.
- SBU-IP - Taloja replaced PLC control panel with high efficiency drives (VFD) at Curling M/c and Conveyor panel. Savings achieved were approximately 25KW.
- SBU-IP - Taloja has started using environment friendly HMF paint process for shell area, which results in reduction of electrical usage also.
- SBU-IP - Silvassa has started using LPG as fuel for its Paint Booth Ovens instead of HSD reduces the energy usage.
- SBU-IP - Silvassa installed process safety interlock in Lacquer Baking Ovens. Whenever the Exhaust blower

trips / turned off, the burner will switch off automatically. This prevents unnecessary burning of fuel inside the chamber when the exhaust system is in trip / off condition.

- SBU-Cold Chain - Hyderabad has optimised its operations and is using one compressor instead of two for its Air Conditioning System thus, reducing electricity usage. The unit also reduced electricity usage by 30% by implementing power reduction measures like timely calibration of sensors and chamber validations, proper door controls, decreased number of door operations. Imparting proper training to the ground level workmen resulted in reduced chamber air leakages.

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

The Company has till date installed solar plants with a total capacity of 626 KWp in seven different sites at Asaoti, Navi Mumbai, Chennai, Patalganga, Rai and Silvassa (two locations).

Cumulative generation of Solar Energy at your Company in the current FY is 5,33,341.6 Kwh.

This helped your Company to offset approximately 950 tons of carbon dioxide in current FY from its manufacturing/ cold chain operations.

Net metering has been installed in IP – Asaoti and G&L – Silvassa. The plants exported 41,414 Kwh generated solar energy to grid on holidays and when the plant was not in operation in the current FY.

**(iii) The capital investment on energy conservation equipment:**

Balmer Lawrie is focused on investing in modern technology for improving the specific energy consumption. This investment is broadly done in the areas of LED lighting, three phase welding machines aimed at reduction of the consumption or wastage of energy.

**(B) TECHNOLOGY ABSORPTION –**

**(i) The efforts made towards technology absorption:**

Technology absorption and innovation are at the core of any sustainable growth of an organization. Your company has over the years adopted technologies which led to automation of processes, increase in speed and efficiency of systems & processes, reduced usage and wastage of energy, faster analysis and decision making ,etc. thereby enabling the company to service its customers better. Apart from regular process & manufacturing related technology interventions, the Research & Development centers of your company are constantly monitoring the changing trends in technology and needs of customers and are developing cost effective products which can meet the growth aspirations of the Company.

SBU-G&L's R&D efforts are directed towards the development of Import Substitutes like replacement of Lithium hydroxide in majority of grease applications, development of biodegradable greases,



development of indigenous specialty greases for Steel & Sponge Iron Sector, High-Performance Greases and Lubricants for Electric Locomotives of Indian Railways, High-Performance Fire-Resistant Oils and greases catering to Steel Industries & Mines, Superior performance grades of Rust Preventive Oils and High Performance greases & Oils for Electric Vehicles.

SBU-Chemicals has entered in to manufacturing Finishing chemicals for leather applications. Chemicals has developed technologies to make acrylic binders, wax emulsions, protein binders and specialty waxes.

SBU-Industrial Packaging (IP) Upgradation of Staggered Blanking machine done at IP Asaoti. PNG installation done at IP Asaoti and LPG installation done at IP Silvassa.

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

Your company is constantly exploring both incremental and fundamental innovations in all its business activities by exploiting both in-house and outside knowledge aimed at increasing throughput, minimizing conversion cost and developing new pipeline of sustainable products which can help strengthen its position in the market place.

The expertise gained through assimilation of such knowledge is helping the businesses to develop high-performance cost-effective products matching the best in the industry.

Continuous engagement with reputed OEMs & new products introduced in the market and users have helped the Greases & Lubricants business in developing tailor made products, meeting the specific requirements of the OEMs.

In Chemicals, the newly developed process for making Basic chromium sulphate (BCS) from vent out sulphur dioxide SO<sub>2</sub> in sulphochlorination process saves approximately 8MT of soda ash per month which was used otherwise, to scrub the SO<sub>2</sub>. The drying of 90 KL of salt solution from the scrubber also got avoided.

Industrial Packaging business, through its Operational Excellence initiatives has been able to improve yield, reduce cost and increase the efficiency and quality.

SBU-(T&V) has combined four different products under single application which in one hand saved the cost and in the other hand helps the operation and technology team to optimize the work with a more focused approach.

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

- The details of technology imported: **NA**
- The year of import: **NA**
- Whether the technology been fully absorbed: **NA**
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: **NA**

**(iv) The expenditure incurred on Research and Development**

(Rs. in Lakhs)

	2021-22	2020-21
(a) Capital Expenditure	40.95	12.75
(b) Revenue	634.93	817.43
Total	675.88	830.18

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO –**

(Rs. in Lakhs)

	2021-22	2020-21
i) Total Foreign Exchange Earnings	7,122.82	4,855.16
ii) Total Foreign Exchange Outgo	13,925.26	9,774.55

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

(Rs. in Lakhs)

Details	2021-22	2020-21
Goals set with respect to procurement to be met from Micro and Small Enterprises	18283	12658
Actual procurement	11230	8554

**ANNUAL RETURN**

In terms of Section 92 of the Companies Act, 2013 read with Rules made thereunder, the Company has already placed a copy of the Annual Return (MGT-7) for the FY 2020-21 on the website of the Company [www.balmerlawrie.com](http://www.balmerlawrie.com). For the FY 2021-22, the same shall be uploaded on the website of the Company after its filing with the Ministry of Corporate Affairs.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- In the preparation of the annual accounts for the FY ended 31<sup>st</sup> March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the FY as on 31<sup>st</sup> March, 2022 and of the Profit and Loss of your Company for that period.
- The Directors had 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 your Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the annual accounts for the FY ended 31<sup>st</sup> March, 2022 on a going concern basis.
- The Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY INDEPENDENT DIRECTORS**

Your Company has received declarations from the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR). However, your Company being a Government Company under the administrative control of the MOPNG, the power to appoint Directors (including Independent Directors) vests with the Administrative Ministry. The Independent Directors are selected by the Government of India from a mix of eminent personalities having requisite expertise and experience in diverse fields. In view thereof, the Board of Directors are not in a position to identify list of core skills/expertise/competencies required by a Director in the context of the Company's business as required under SEBI LODR.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Detailed particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 are given in Note No. 6, 7, 15 and 42.19 of the Standalone Financial Statements.

**RELATED PARTY TRANSACTIONS (RPT)**

Majority of the Related Party Transactions of the Company were made with its Holding Company, Subsidiary Companies, Associate Companies and Joint Venture Companies. It may be pertinent to mention that as per Regulation 23 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, sub regulations (2), (3) and (4) of Regulation 23 of the said Regulations shall not apply to transactions entered into between two government companies. Further, omnibus approval was taken for entering into Related Party Transactions for value upto Rupees One Crore whereas in other cases approval (including post facta approvals) of Audit Committee was taken. Further, there were no materially significant RPT during the year under review made by the Company with Directors, Key Managerial Personnel or other designated persons which have a potential conflict with the interest of the Company at large. Furthermore, no material related party transaction was entered into by the Company as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Related Party Transaction Policy adopted by the Company.

The Company had amended the Related Party Transaction Policy of the Company in terms of the amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1<sup>st</sup> April, 2022. The policy as amended may be accessed on the Company's website at the link:

[https://www.balmerlawrie.com/admins/dl\\_u/Related-Party-Transactions-Policy-01-04-2022.pdf](https://www.balmerlawrie.com/admins/dl_u/Related-Party-Transactions-Policy-01-04-2022.pdf)

The said policy lays down a procedure to ensure that transactions by and between the Related Parties and the Company are properly identified, reviewed and duly approved & disclosed in accordance with the applicable laws. The Policy also sets out materiality thresholds for Related Party Transactions and the material modifications thereof, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Related Party Transactions entered into by your Company during the FY 2021-22 has been enumerated in Note no. 42.19 of Standalone Financial Statements.

**JUSTIFICATION FOR ENTERING INTO RELATED PARTY TRANSACTIONS**

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

**The particular of contracts or arrangements with Related Parties referred to in sub-section (1) of section 188 as required under Section 134(3)(h) of the Companies Act, 2013 in the prescribed Form AOC-2 is as under:**

<b>FORM NO. AOC-2</b>	
<b>(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014</b>	
<b>Form for disclosure of particulars of contracts/ arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto</b>	
<b>1</b>	<b>Details of contracts or arrangements or transactions not at arm's length basis</b>
<b>NIL</b>	

<b>2</b>	<b>Details of material contracts or arrangements or transactions at arm's length basis</b>
<b>NIL as per the Company's policy on material Related Party Transaction</b>	

**ENTERPRISE RISK MANAGEMENT POLICY**

The Company has an approved 'Enterprise Risk Management Policy' (ERM Policy) to protect and add value to the organization. These Risks are classified into High, Medium and Low depending upon the probability of their occurrence and potential impact. This process ensures that the Company is adequately positioned to understand and develop mitigation measures as a response to risks that could potentially impact the execution of our strategy and ability to create value. During FY 2021-22, the Risk management process for the half year and third quarter was reviewed by the Chief Risk Officer with the Business Risk Owners and were reported to the Risk Management Committee and Board. The review of the Risk management process for the fourth quarter was carried out in FY 2022-23.

During the FY 2021-22, the ERM framework of the Company was amended. The said policy is posted on the Company's website at:

[https://www.balmerlawrie.com/admins/dl\\_u/Enterprise-Risk-Management-Policy.pdf](https://www.balmerlawrie.com/admins/dl_u/Enterprise-Risk-Management-Policy.pdf)

**DEPOSITS**

Your Company has not accepted any deposit from the public during the FY 2021-22 and therefore, no disclosure is required in relation to details relating to deposits covered under Chapter V of the Companies Act, 2013.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Your Company has put in place adequate financial controls for ensuring the efficient conduct of its business in adherence with laid down policies, the safeguard 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 which is commensurate with the operations of the Company. Effectiveness of Internal Financial control is ensured through management review, control and self-testing and independent testing by the external Consultant.

During the FY 2021-22, Internal Financial Control was reviewed by an external Consultant, Haribhakti & Co. LLP which reported as follows:

- a. The Internal Control over financial reporting in the Company is generally adequate for the process/controls covered, with areas of observations/ improvements as listed in the report.
- b. The observations have been discussed/acknowledged by the process owners and reported to management.

**VIGILANCE**

Balmer Lawrie believes in transparency, equity and fair play, which should be the guiding principles of any ethical business organization. The objective of Vigilance function is about ensuring the practice of these cardinal principals. Vigilance is not a hindrance to successful conduct of business rather it is corner stone of a successful enterprise.

The Company has a separate Vigilance Department, which is headed by the Chief Vigilance Officer (CVO), who is an officer on deputation from Govt. of India in the rank of Joint Secretary and above.

The department acts as a link between the Company and Central Vigilance Commission on one hand and the CBI on the other which advises the Company on all matters pertaining to Vigilance. The Vigilance department takes preventive, punitive and participative measures.

In its proactive mode, Vigilance concentrates on the establishment of systems, procedures and practices aimed at preventing seepage and loss of resources. Vigilance in the punitive mode, keeps surveillance on wrong-doers and ensures that they are caught and suitably punished.

During the year, 11 vigilance awareness programmes were conducted which were attended by 450 employees. Disciplinary action under Balmer Lawrie Conduct Discipline & Review Rules (CDRR) 2017 were taken by the Company for irregularities & lapses. During this year, 9 vigilance cases were disposed off (3 pseudonymous, 1 Anonymous & 5 Regular Vigilance Cases) and 5 vigilance cases are pending at the end of the year (1 Administrative & 4 Regular Vigilance Cases). The vigilance cases pertain to irregularities such as indiscipline, dishonesty, negligence in performing duty and neglect of work etc. The Company continuously endeavors to ensure fair and transparent transactions through technology intervention & system process study in consultation with Central Vigilance Commission & internal vigilance set-up.

#### **Integrity Pact: -**

Independent External Monitors (IEMs) have been appointed to implement Integrity Pact (IP) beyond the tender threshold value of Rs.30 Lakhs and above. During the year the company has conducted four meetings & there were no complaints received which were referred to IEMs.

Presently, 2 IEMs have been appointed based on the nomination by the Central Vigilance Commission (CVC) to monitor the implementation of IP in all tenders of the value of Rs.30 Lakhs and above across all the division of the Company. The details of such IEMs are as follows:

1. Dr. Bibhuti Bhusan Pattanaik,  
302, New Shivalik CGHS, Plot No. G44, Sector 51, Gurgaon-122002.
2. Shri Brij Mohan Kohli,  
M-88, Ground Floor, GK 2, New Delhi - 110048

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Balmer Lawrie had established a Vigil Mechanism/ Whistle Blower Policy in January, 2010. The said policy concerns the employees and covers the following categories:

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

So as to enable them to report management instances of unethical behaviour, actual or suspected fraud or violation of your company's code of conduct. The details of the vigil mechanism /whistle blower policy are given in the Corporate Governance Report 2021-22 and can be downloaded from the following hyperlink of the Company's website:

[https://www.balmerlawrie.com/admins/dl\\_u/Whistle\\_Blower\\_Policy.pdf](https://www.balmerlawrie.com/admins/dl_u/Whistle_Blower_Policy.pdf)

#### **REPORT ON CORPORATE GOVERNANCE**

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

Pursuant to the said SEBI Regulations and DPE Guidelines, a separate section titled 'Corporate Governance Report' is being furnished and marked as "Annexure 3".

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

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

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

Your Company being a Government Company, vide Notification No. GSR 463(E) dated 5<sup>th</sup> June, 2015 as amended by Notification No. GSR 582(E) dated 13<sup>th</sup> June, 2017 and Notification No. GSR 802(E) dated 23<sup>rd</sup> February, 2018, and GSR 151(E) dated 2<sup>nd</sup> March, 2020 has been exempted from the applicability of Section 134(3)(e) and 197 of the Companies Act, 2013.

#### **BOARD EVALUATION AND CRITERIA FOR EVALUATION**

Your Company being a Government Company vide Notification No. GSR 463(E) dated 5<sup>th</sup> June, 2015 as amended by Notification No. GSR 582(E) dated 13<sup>th</sup> June, 2017 and Notification No. GSR 802(E) dated 23<sup>rd</sup> February, 2018, and GSR 151(E) dated 2<sup>nd</sup> March, 2020 has been exempted from applicability of Sections 134(3)(p) and 178(2),(3) and (4) of the Companies Act, 2013.

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

As the appointment of Directors of the Company including the Independent Directors is done as per the direction of the administrative ministry, the Board is not in a position to form an opinion with regard to the aspects stated in Rule 8(5)(iii)(a) of the Companies (Accounts), Rules 2014.

#### **DETAILS OF APPOINTMENT/CESSATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on 31<sup>st</sup> March, 2022, the Board of the Company consisted of ten Directors out of which three were Functional/Executive/Whole-time Directors, two were Non-executive Government Nominee Directors and five were Independent Directors.

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

The following appointments and cessations of Directors took place in the composition of Board of Directors during the FY 2021-22 and up-to date of the Report as under:

#### **APPOINTMENTS**

During the year, following Directors were appointed/reappointed as detailed hereunder:

- Extension of additional charge of the post of Chairman & Managing Director w.e.f. 1<sup>st</sup> February, 2021 entrusted upon Shri Adika Ratna Sekhar, Director (Human Resource & Corporate Affairs)
- Extension of additional charge of the post of Director (Manufacturing Businesses) entrusted upon Shri Adika Ratna Sekhar, Director (Human Resource & Corporate Affairs) w.e.f. 16<sup>th</sup> March, 2021 till the appointment of a regular incumbent to the post.
- Smt. Perin Devi was appointed as an additional director by the BOD on 6<sup>th</sup> August, 2021 in the designation of Government Nominee Director, for a period of 3 years w.e.f. 5<sup>th</sup> August, 2021.
- At the 104<sup>th</sup> AGM of the Company held on 28<sup>th</sup> September, 2021, the following directors were appointed/reappointed:
  - a) Shri Adika Ratna Sekhar was appointed as the Chairman & Managing Director, (Additional Charge)
  - b) Shri Kushagra Mittal was appointed as the Government Nominee Director.
  - c) Smt. Perin Devi was appointed as the Government Nominee Director.
  - d) Shri Adhip Nath Palchadhuri, Director, who retired by rotation, was reappointed.
- Shri Adika Ratna Sekhar was appointed as the Chairman & Managing Director with effect from 3<sup>rd</sup> November, 2021 from MOPNG and in line with the recommendation of NRC.
- Shri Adika Ratna Sekhar was further entrusted with the additional charge of Director (Human Resource and Corporate Affairs) w.e.f. 3<sup>rd</sup> November, 2021 till the appointment of a regular incumbent to the post.
- Dr. Vandana Minda Heda was appointed as an additional Non-Executive Director with the designation of Independent Director of the Company w.e.f. 26<sup>th</sup> November, 2021 in line with the recommendation of NRC. It is proposed to appoint Dr. Vandana Minda Heda as a Non-Executive Independent Director of the Company at the 105<sup>th</sup> AGM, in furtherance of the nomination received from the Administrative Ministry and her candidature proposed by the shareholder of the Company.
- Shri Rajeev Kumar was appointed as an additional Non-Executive Director with the designation of Independent Director of the Company w.e.f. 26<sup>th</sup> November, 2021 in line with the recommendation of NRC. It is proposed to appoint Shri Rajeev Kumar as a non-executive Independent Director of the Company at the 105<sup>th</sup> AGM, in furtherance of the nomination

received from the Administrative Ministry and his candidature proposed by the shareholder of the Company.

The resolutions of the directors seeking reappointment and appointment forms part of the Notice of the 105<sup>th</sup> AGM and the details thereof are also given in the explanatory statement attached to the notice of the 105<sup>th</sup> AGM.

**CESSATIONS – ON ACCOUNT OF WITHDRAWAL OF NOMINATION OR RETIREMENT**

- Shri Vikash Preetam, Independent Director ceased to be the Director of the Company w.e.f. 24<sup>th</sup> July, 2021 due to completion of his tenure as per the nomination by the MOPNG.
- Smt. Perin Devi, Government Nominee Director ceased to be the Director of the Company w.e.f. 26<sup>th</sup> July, 2021 due to the end of her tenure as per the nomination by the MOPNG.
- Shri Arun Tandon, Independent Director, ceased to be a Director of the Company w.e.f. 12<sup>th</sup> September, 2021 due to completion of his tenure as per the nomination by the MOPNG.
- Shri Adika Ratna Sekhar, Chairman & Managing Director and Director (Manufacturing Businesses) - (Additional Charge) ceased to be Director (Human Resource and Corporate Affairs) w.e.f. 3<sup>rd</sup> November, 2021.

The following changes took place after the end of the FY 2021-22 but upto the date of this Report:

- Shri Arun Kumar ceased to be an Independent Director of the Company w.e.f. 11<sup>th</sup> July, 2022.
- Shri Anil Kumar Upadhyay ceased to be an Independent Director of the Company w.e.f. 11<sup>th</sup> July, 2022.
- Shri Bhagawan Das Shivahare ceased to be an Independent Director of the Company w.e.f. 11<sup>th</sup> July, 2022.
- Shri Adika Ratna Sekhar, Chairman & Managing Director and Director (Human Resource and Corporate Affairs) - (Additional Charge) ceased to be Director (Manufacturing Businesses) (Additional Charge) w.e.f. 14<sup>th</sup> July, 2022.
- The Board of Directors of the Company based on the recommendations of NRC, appointed Shri R. M. Uthayaraja as a Wholtime Director of the Company with the designation of Director (Manufacturing Businesses) w.e.f. 14<sup>th</sup> July, 2022 on the terms and conditions as contained in the letter dated 14<sup>th</sup> July, 2022 bearing reference no. CA-31024/1/2019-PNG (30909) received from the MOPNG. It is proposed to appoint Shri R. M. Uthayaraja as a Director (Manufacturing Businesses) of the Company at the 105<sup>th</sup> AGM, in furtherance of the nomination received from the Administrative Ministry and his candidature proposed by the shareholder of the Company.

Considering the above appointments and cessation, as on date of this report, the Board is consisted of Eight (8) Directors details of whom are as under:

Name	Category	Designation
Shri Adika Ratna Sekhar	Functional / Executive/ Whole-time Director	Chairman & Managing Director and Director (Human Resource and Corporate Affairs) - (Additional Charge)
Shri Adhip Nath Palchadhuri	Functional / Executive/ Whole-time Director	Director (Service Businesses)
Shri Sandip Das	Functional / Executive/ Whole-time Director	Director (Finance) & CFO
Shri R. M. Uthayaraja	Functional /Executive/ Whole-time Director	Director (Manufacturing Businesses)
Smt. Perin Devi	Non-executive/ Government Nominee Director	Government Nominee Director
Shri Kushagra Mittal	Non-executive/Government Nominee Director	Government Nominee Director
Dr. Vandana Minda Heda	Non-executive/ Independent Director	Independent Director
Shri Rajeev Kumar	Non-executive/ Independent Director	Independent Director

## NUMBER OF MEETINGS OF THE BOARD HELD DURING FY 2021-22

The Board met eight (8) times during FY 2021-22, the details of same are given in the Corporate Governance Report attached as "Annexure 3". The intervening gap between any two Board meetings was within the period prescribed under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

## AUDIT COMMITTEE

Your Company has a qualified and independent Audit Committee, the composition of same and other details are mentioned in the Corporate Governance Report for the FY 2021-22.

The Audit Committee as on 31<sup>st</sup> March, 2022, consisted of four (4) members out of which one was Whole-time Director and three were Independent Directors. Shri Bhagawan Das Shivahare, Independent Director was the Chairperson of the Committee. The composition of the Audit Committee as on 31<sup>st</sup> March, 2022 was as follows:

- i. Shri Bhagawan Das Shivahare, Independent Director-Chairperson
- ii. Shri Anil Kumar Upadhyay, Independent Director-Member
- iii. Shri Sandip Das, Director (Finance) & CFO- Member
- iv. Dr. Vandana Minda Heda, Independent Director- Member

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

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards (1 & 2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

## COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The office of the Comptroller & Auditor General of India ('CAG') had conducted a supplementary audit of the Financial Statements (both Standalone and Consolidated) of the Company for the FY ended 31<sup>st</sup> March 2022 and highlighted the certain significant matters. The corresponding management response against the aforesaid matters are enumerated hereunder:

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022 (Standalone)	Management's Reply
<p><b>1. Balance Sheet:</b>  <b>Non-current Liabilities:</b>  <b>Provisions: ₹ 6975.12 lakh</b></p> <p>The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹ 11.65 crore in M/s DHFL, M/s IL&amp;FS and M/s Reliance Capital along with interests of ₹ 2.28 crore. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chances of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the</p>	<ul style="list-style-type: none"> <li>• The total cumulative interest on the defaulting investments have been provided for in the Company's books as on 31<sup>st</sup> March, 2022.</li> <li>• Against investments in M/s DHFL where the principal invested amount was Rs.2.10 Crores, Balmer Lawrie Staff Provident Fund (BLSPPF) has already received Rs.1.02 Crores and the net loss of Rs.1.08 Crores have already been provided as on 31.03.22.</li> <li>• For other investments in M/s IL&amp;FS, M/s Jorabat Shillong Expressway Limited and M/s Reliance Capital, principal amount totalling to Rs.9.82 Crores, the final orders of Hon'ble NCLT are yet to be received, pending which, the amount of expected loss/ anticipatory provision remains completely indeterminate and since, the final recoverable amount is not predictable or known currently, the Company has not made any provision for the same.</li> </ul>

## STATUTORY AUDITORS & AUDITORS' REPORT

### Statutory Auditor:

Your Company being a Government Company, Statutory Auditors are appointed or reappointed by the Comptroller and Auditor General of India in terms of Section 143(5) of the Companies Act, 2013.

In terms of the Companies Act, 2013, Comptroller & Auditor General of India (C&AG) had appointed M/s. B. K. Shroff & Co.; (Chartered Accountants) 23A, Netaji Subhas Road, Room No. – 15, 3<sup>rd</sup> Floor, Kolkata – 700001, West Bengal as Statutory Auditors of the Company for the FY 2021-22 for both Standalone as well as the Consolidated Financial Statements of the Company.

Pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the remuneration of the Statutory Auditors for the year 2022-23, as and when appointed, is to be determined by the Members at the ensuing Annual General Meeting as envisaged in the said Act. Members are requested to authorize the Board to decide on remuneration of Statutory Auditors.

## REPORT OF THE STATUTORY AUDITORS

As per the para xi (a) & (b) of Annexure B to the Statutory Auditors Report as annexed with the Financial Statements, the Statutory Auditors of the Company have reported that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Further, no report as specified under section 143(12) of the Companies Act, 2013, in Form ADT- 4 as prescribed under Rule 13 of the Company (Audit and Auditors) Rules, 2014 has been filed by the Auditors with the Central Government.

## COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY STATUTORY AUDITORS

No qualification, reservation or adverse remark or disclaimer has been made by the Statutory Auditors in their Audit Report for FY 2021-22.

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022 (Standalone)	Management's Reply
<p>Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 crore (₹ 11.65 crore + ₹ 2.28 crore – ₹ 1.91 crore) should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non-provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 crore with the corresponding overstatement of profit for the year by an equal amount.</p>	<ul style="list-style-type: none"> <li>• The Company is liable, as per the BLSPPF Trust Rules, to make good any losses to BLSPPF to ensure that the minimum declared rate of interest (currently @ 8.10% for FY 2021-22 notified in the month of June, 2022) by the Government of India for any year is fully paid to all the beneficiaries. Also, after provisioning of interest for the year, BLSPPF continues to carry the surplus balance in addition to the liability on account of the beneficiaries, including their contribution and cumulative interest credited till 31<sup>st</sup> March, 2022.</li> <li>• Even after payment of interest at the old declared rates @ 8.50% for the previous years (to the employees who have superannuated, resigned or transferred), there is surplus balance available with the BLSPPF, implying no further requirement of fund infusion by the Company as on 31.03.2022.</li> <li>• In view of the above clarifications, it is amply clear no further provision is required to be made in the books as on 31.03.2022. Based on internal discussions and review with the C&amp;AG, the company proposes to provide for 50% of the original investments of Rs.9.82 Crores during FY 2022-23. Necessary adjustments in the provision figures shall be made on receipt of the final orders of Hon'ble NCLT.</li> <li>• The Company further reiterates that it shall continue to make good the losses as and when required as per BLSPPF Trust Rules.  Thus, it can be seen that based on the above facts, the Company has no requirement of provision currently in the books and hence, there is no understatement of Provisions or overstatement of profit for the year.</li> </ul>
<p><b>2. Balance Sheet:</b></p> <p><b>Current Liabilities:</b></p> <p><b>Non-financial Liabilities-Others: ₹ 6198.60 lakh.</b></p> <p>An amount of ₹ 3.15 crore was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 crore had not transferred the balance amount of ₹3.01 crore to TSL. It is worthwhile to mention that, in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹3.01 crore against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without</p>	<ul style="list-style-type: none"> <li>• The amount(s) which the Company has adjusted and written back in its books are purely its operational dues. The letter dated 29.10.2020 of the IRP (appointed by Hon'ble NCLT) of TSL also acknowledges the dues of the Company and also mentions the fact that the Company can release the payments to TSL after adjusting (i) its claim of marketing commission for ONGC related projects and (ii) past dues of the Company since the CIRP commencement date i.e. 21.11.2019.</li> <li>• Invoices of Operational dues raised on TSL after 21.11.2019 amounts to Rs.2.73 Crores. Hence, adjustment is legally permitted by the Company.</li> <li>• The Company has written back a sum of Rs.3.01 Crores received from M/s ONGC Limited in its books. Simultaneously, it has written off its dues from TSL in its books arising out of provision of manpower, rent, electricity and other related amounts for operational needs.</li> <li>• Hence, the question of understatement of current liabilities or of bad debts does not arise as pointed out by Audit.</li> <li>• In view of the above facts, there is no understatement of Current Liabilities/ Bad Debts or any overstatement of Profit for the year.</li> </ul>

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022 (Standalone)	Management's Reply
<p>adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.</p> <p>Thus, non-provisioning of Liability of ₹ 3.01 crore towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 crore each with a corresponding of restatement of Profit for the year by ₹ 6.02 crore.</p>	
<p><b>3. Balance Sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provision: Note-21 : ₹ 6975.12 lakh</b></p> <p><b>Current Liabilities :</b></p> <p><b>Provision: Note-26 : ₹ 1952.91 lakh</b></p> <p>The above heads of accounts do not include ₹ 13.29 crore (₹ 9.43 crore upto March 2020 and ₹ 3.86 crore for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹ 13.29 crore for the said unauthorised occupancy.</p> <p>Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 crore as well as understatement of Provisions under Non-current Liabilities by ₹ 11.36 crore with corresponding overstatement of Profit for the year ₹ 13.29 crore.</p>	<ul style="list-style-type: none"> <li>• The lease agreement between the Company and KoPT for use of the land at Industrial Packaging Plant at Kolkata (IPK) of KoPT by the Company were continuing since a long time. The agreement which expired, was due for renewal from time to time and discussions were held between both the parties to renew the same.</li> <li>• In the meanwhile, the Company closed down its IPK unit in August, 2020 due to continuous losses and all the assets of the said plant were either transferred or disposed off.</li> <li>• KoPT has been continuing to raise monthly compensation/rental invoices on IPK at the normal rates only and the same continues till date i.e. June, 2022 (last received invoice). These are being paid by the Company on time by its IPK unit.</li> <li>• Reconciliation with KoPT have been completed till December, 2018. Further, full and final reconciliation is going on currently and the said exercise shall be completed very soon and shall be shared with KoPT at the time of handing over the aforesaid portions of land by the Company to KoPT in the month of August, 2022.</li> <li>• The current invoices of KoPT mentions some old dues including interest which is merely arising out of reconciliation issues. The current detailed line wise outstanding statement of KoPT is available with the IPK unit of the Company and sufficient progress has been made by them in identifying the reasons of short payments as reflecting in KoPT's statements which are primarily on account of non-accounting by KoPT of certain payments in totality and TDS deducted. This is a normal practice and on submission of reconciliation statement along with supporting documents, is expected to be resolved without any further liability arising to the Company.</li> <li>• Hence, based on the above facts and circumstances, the Company does not envisage any liability of such magnitude as mentioned out by the Audit.</li> </ul> <p>In view of the same, there is no understatement of Provisions under Current Liabilities/ Non-current Liabilities or any overstatement of Profit for the year.</p>

Comments of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022	Management's Reply
<p><b>1. Balance Sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provisions : ₹ 6992.08 lakh</b></p> <p>The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹ 11.65 crore in M/s DHFL, M/s IL&amp;FS, and M/s Reliance Capital along with interests of ₹ 2.28 crore. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chance of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 crore (₹ 11.65 crore + ₹ 2.28 crore – ₹ 1.91 crore should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non-provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 crore with the corresponding overstatement of profit for the year by an equal amount.</p>	<ul style="list-style-type: none"> <li>The total cumulative interest on the defaulting investments have been provided for in the BL's books as on 31<sup>st</sup> March, 2022.</li> <li>Against investments in M/s DHFL where the principal invested amount was Rs.2.10 Crores, Balmer Lawrie Staff Provident Fund (BSPF) has already received Rs.1.02 Crores and the net loss of Rs.1.08 Crores have already been provided as on 31.03.22.</li> <li>For other investments in M/s IL&amp;FS, M/s Jorabat Shillong Expressway Limited and M/s Reliance Capital, principal amount totalling to Rs.9.82 Crores, the final orders of Hon'ble NCLT are yet to be received, pending which, the amount of expected loss/ anticipatory provision remains completely indeterminate and since the final recoverable amount is not predictable or known currently, BL has not made any provision for the same.</li> <li>BL is liable, as per the BLSPF Trust Rules, to make good any losses to BLSPF to ensure that the minimum declared rate of interest (currently @8.10% for FY 2021-22 notified in the month of June, 2022) by the Government of India for any year is fully paid to all the beneficiaries. Also, after provisioning of interest for the year, BLSPF continues to carry the surplus balance in addition to the liability on account of the beneficiaries, including their contribution and cumulative interest credited till 31<sup>st</sup> March, 2022.</li> <li>Even after payment of interest at the old declared rates @ 8.50% for the previous years (to the employees who have superannuated, resigned or transferred), there is surplus balance available with the BLSPF, implying no further requirement of fund infusion by BL as on 31.03.2022.</li> <li>In view of the above clarifications, it is amply clear no further provision is required to be made in the books as on 31.03.2022. Based on internal discussions and review with the C&amp;AG, BL proposes to provide for 50% of the original investments of Rs.9.82 Crores during FY 2022-23. Necessary adjustments in the provision figures shall be made on receipt of the final orders of Hon'ble NCLT.</li> <li>BL further reiterates that it shall continue to make good the losses as and when required as per BLSPF Trust Rules.</li> </ul> <p>Thus, it can be seen that based on the above facts, BL has no requirement of provision currently in the books and hence there is no understatement of Provisions or overstatement of profit for the year.</p>
<p><b>2. Balance Sheet:</b></p> <p><b>Current Liabilities:</b></p> <p><b>Non-financial Liabilities - Others: ₹ 6421.92 lakh.</b></p> <p>An amount of ₹ 3.15 crore was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 crore had not transferred the balance amount of ₹ 3.01 crore to TSL. It is worthwhile to mention that,</p>	<ul style="list-style-type: none"> <li>The amount(s) which BL has adjusted and written back in its books are purely its operational dues. The letter dated 29.10.2020 of the IRP (appointed by Hon'ble NCLT) of TSL also acknowledges the dues of BL and also mentions the fact that BL can release the payments to TSL after adjusting (i) its claim of marketing commission for ONGC related projects and (ii) past dues of BL since the CIRP commencement date i.e. 21.11.2019.</li> <li>Invoices of Operational dues raised on TSL after 21.11.2019 amounts to Rs.2.73 Crores. Hence, adjustment is legally permitted by BL.</li> <li>BL has written back a sum of Rs.3.01 Crores received from M/s ONGC Limited in its books. Simultaneously, it has written off its dues from TSL in its books arising out of provision of manpower, rent, electricity and other related amounts for operational needs.</li> </ul>



<p><b>Comments of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Balmer Lawrie &amp; Company Limited for the year ended 31<sup>st</sup> March, 2022</b></p>	<p><b>Management's Reply</b></p>
<p>in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹ 3.01 crore against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.</p> <p>Thus, non-provisioning of Liability of ₹ 3.01 crore towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 crore each with a corresponding of restatement of Profit for the year by ₹ 6.02 crore.</p>	<ul style="list-style-type: none"> <li>Hence, the question of understatement of current liabilities or of bad debts does not arise as pointed out by Audit.</li> </ul> <p>In view of the above facts, there is no understatement of Current Liabilities/ Bad Debts or any overstatement of Profit for the year.</p>
<p><b>3. Balance sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provision: Note-21 : ₹ 6992.08 lakh</b></p> <p><b>Current Liabilities:</b></p> <p><b>Provision: Note-26 : ₹ 1952.91 lakh</b></p> <p>The above heads of accounts do not include ₹ 13.29 crore (₹ 9.43 crore upto March 2020 and ₹ 3.86 crore for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹ 13.29 crore for the said unauthorised occupancy.</p> <p>Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 crore as well as understatement of Provisions under Non-current Liabilities by ₹ 11.36 crore with corresponding overstatement of Profit for the year ₹ 13.29 crore.</p>	<ul style="list-style-type: none"> <li>The lease agreement between BL and KoPT for use of the land at Industrial Packaging Plant at Kolkata (IPK) of KoPT by BL were continuing since a long time. The agreement which expired, was due for renewal from time to time and discussions were held between both the parties to renew the same.</li> <li>In the meanwhile, BL closed down its IPK unit in August, 2020 due to continuous losses and all the assets of the said plant were either transferred or disposed off.</li> <li>KoPT has been continuing to raise monthly compensation/rental invoices on IPK at the normal rates only and the same continues till date i.e. June, 2022 (last received invoice). These are being paid by BL on time by its IPK unit.</li> <li>Reconciliation with KoPT have been completed till December, 2018. Further, full and final reconciliation is going on currently and the said exercise shall be completed very soon and shall be shared with KoPT at the time of handing over the aforesaid portions of land by BL to KoPT in the month of August, 2022.</li> <li>The current invoices of KoPT mentions some old dues including interest which is merely arising out of reconciliation issues. The current detailed line wise outstanding statement of KoPT is available with the IPK unit of BL and sufficient progress has been made by them in identifying the reasons of short payments as reflecting in KoPT's statements which are primarily on account of non-accounting by KoPT of certain payments in totality and TDS deducted. This is a normal practice and on submission of reconciliation statement along with supporting documents, is expected to be resolved without any further liability arising to BL.</li> <li>Hence, based on the above facts and circumstances, BL does not envisage any liability of such magnitude as mentioned out by the Audit.</li> </ul> <p>In view of the same, there is no understatement of Provisions under Current Liabilities/ Non-current Liabilities or any overstatement of Profit for the year.</p>

Further, CAG stated that Section 139(5) and 143(6)(a) of the Act are not applicable to the entities as detailed in Annexure thereto, being private entities / entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, CAG has neither appointed the Statutory Auditors nor conducted the supplementary audit of those companies.

Comments of the Comptroller & Auditor General of India as per the Companies Act, 2013 are attached with the Financial Statements.

**MAINTENANCE OF COST RECORDS**

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

**COST AUDITOR'S REPORT**

Cost Audit Reports for all the applicable products for the year ended 31<sup>st</sup> March, 2021 were filed on 31<sup>st</sup> August, 2021 with the Ministry of Corporate Affairs within specified due dates.

**COST AUDITOR**

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee appointed M/s. S.B. & Associates, Cost Accountants, as the Cost Auditor of your Company for the Financial Years 2020-21 and 2021-22 relating to goods manufactured by Strategic Business Units - Greases & Lubricants, Industrial Packaging and Leather Chemicals of your Company. Further, M/s S. Dhal & Co., Cost Accountants, had been appointed as Cost Auditors for the Financial Years 2022-23 to 2024-25 relating to goods manufactured at Strategic Business Units - Greases & Lubricants, Industrial Packaging and Chemicals of your Company. In view of this, ratification for payment of remuneration to the Cost Auditor for the FY 2022-23 is being sought at 105<sup>th</sup> AGM of the Company.

**SECRETARIAL AUDITOR**

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Ms. Sumana Subhash Mitra, one of the partners of M/s. T. Chatterjee & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the FY 2021-22. The Secretarial Audit Report in Form No. MR-3 for the FY ended 31<sup>st</sup> March, 2022 is annexed herewith and marked as **“Annexure 7”**.

**SECRETARIAL AUDITORS' REPORT**

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

Sl. No.	Qualifications / Adverse Remark / Reservation/ Disclaimer of the Secretarial Auditors	Clarification from the Management
1	<p>The composition of the Board of Directors was not in compliance with the following provisions:</p> <ul style="list-style-type: none"> <li>a. Regulation 17(1)(a) of the Listing Regulations during the period from 01-04-2021 to 25-11-2021 due to absence of an Independent Woman Director on the Board of the Company.</li> <li>b. Regulation 17(1)(a) of the Listing Regulations and second proviso to Section 149 (1) (a) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013 during the period from 26-07-2021 to 05-08-2021 due to absence of a Woman Director on the Board of the Company.</li> <li>c. Regulation 17(1)(b) of the Listing Regulations and Para 3.1.4 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 during the period from 24-07-2021 to 25-07-2021 and from 06-08-2021 to 25-11-2021 due to absence of adequate number of Independent Directors on the Board of the Company</li> </ul>	<p>The Company being a Government Company, the Composition of the Board of Directors is dependent on the direction of the Administrative Ministry and thus, the non-compliance was beyond the control of the Company.</p>

**ACKNOWLEDGEMENT**

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

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

## Balmer Lawrie & Co. Ltd.

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

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

On behalf of the Board of Directors

**Adika Ratna Sekhar**  
**Chairman & Managing Director, and**  
**Director (HR & CA) - Additional Charge**  
**(DIN: 08053637)**

**Adhip Nath Palchaudhuri**  
**Director (Service Businesses)**  
**(DIN: 08695322)**

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

Date: 5<sup>th</sup> August, 2022

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of the Board's Report for 2021-22)

Pursuant to the provisions of the Companies Act, 2013, ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and DPE Guidelines on Corporate Governance, this report is made with an endeavour of the Board of Directors to provide an overview of each of environs in which different Strategic Business Units [SBUs] of the Company are performing, and to analyse the underlying factors, which have acted upon or impacted the performance of the Company during the FY 2021-22 and the future outlook of the Company.

The past two years have been difficult for the world economy which continues to be plagued by uncertainty on account of repeated waves of infection of the COVID-19 pandemic, which led to supply chain disruptions, and more recently the inflation which has reappeared as a global issue in both advanced and emerging economies.

Despite the challenging past, overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of FY 2022-23 due to its unique response strategy. Even the sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth.

In contrast to the steady performance of the primary sector, the industrial sector went through a big swing by first contracting in FY 2020-21 and then expanding in FY 2021-22.

The Services sector account for more than half of the Indian economy and was the most impacted by the COVID-19 related restrictions, especially for activities that need human contact. Although the overall sector first contracted in FY 2020-21, it was estimated to grow in FY 2021-22. However, segments like Travel, Trade and Hotels are yet to fully recover as the stop-start nature of repeated pandemic waves makes it especially difficult for these sub-sectors to gather momentum.

The trends suggest that there was full recovery of all components on the demand side in FY 2021-22 except for private consumption. When compared to pre-pandemic levels, recovery is most significant in exports followed by government consumption and gross fixed capital formation. However, an equally strong recovery was seen in imports.

Owing to significant rise in crude oil prices, Petroleum, Oil and Lubricants imports rose more than 100% in April-December, 2021 compared to the corresponding period previous year and by more than 20% over April-December, 2019. The crude oil prices surpassed the pre COVID-19 level.

Apart from the significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion, some of the significant initiatives of the Government of India at the domestic as well as international stage need to be mentioned:

- The Government of India has taken various initiatives for enabling an efficient Logistics eco-system to boost exports. Approved in October 2021, PM Gati Shakti - National Master Plan for Multi Modal Connectivity aims to provide multimodal connectivity to various economic zones and integrate the infrastructure linkages holistically for seamless movement of people, goods & services to improve logistics efficiency. Gati Shakti will bring 16 Ministries together for integrated planning and coordinated implementation of infrastructure connectivity projects like Bharatmala, Sagarmala, inland waterways, UDAN etc. It will also leverage technology extensively

including spatial planning tools with ISRO imagery developed by BiSAG-N (Bhaskaracharya National Institute for Space Applications and Geoinformatics). Economic zones like textile clusters, pharmaceutical clusters, electronic parks, etc. will be covered to make Indian businesses more competitive globally by cutting down the logistics costs and ensure proper linkages for local industry & consumers. This will boost economic growth, attract foreign investment and create multiple employment opportunities. Government has taken various steps in last few years to improve logistics efficiency through infrastructure enhancement and process reforms. Some of them include introduction of FASTag, Turant Customs, mandatory Radio Frequency Identification (RFID) tagging at all EXIM bound containers, E-Sanchit, Indian Customs Enquiry for Trade Assistance and Knowledge (ICETRAK), Indian Customs EDI Dashboard (ICEDASH), Secured Logistics Document Exchange (SLDE), Import Clearance System, GHG Calculator etc. In order to ease maritime trade, efforts are being undertaken on development of port-specific master plans and a coordination mechanism for implementation of the same, upgradation of select Land Customs Stations (LCS) to Integrated Check Posts (ICPs), promoting Free Trade Warehousing Zones, etc.

### 1. INDUSTRIAL PACKAGING [IP]

#### Industry Structure and Developments:

Indian Packaging industry is estimated at INR 3,00,000 crores. It is the fifth largest sector in India's economy and is one of the highest growth sectors in the country with a projected CAGR growth of 5% to 6%. Packaging which can be broadly segmented into Industrial and Consumer Packaging consisting of Rigid and Flexible sub-segments. The Rigid Industrial Packaging can be further segmented based on packing size, type of packing, material of construction Eg: a) Paper & Paper Board b) Glass c) Plastic and d) Metal.

210L Mild Steel (MS) Drums industry, a part of the rigid industrial packaging segment, has over 70 players across India. The industry has higher capacity compared to the market demand leading to intense competition in the market place. Though the steel prices are higher, steel drums are having its own importance like stability and ease of doing operations.

Balmer Lawrie & Co. Ltd. ("Balmer Lawrie") is the market Leader in this industry with a formidable market share. This is being maintained with technological upgradation and a very effective procurement policy. The SBU-IP operates through six manufacturing plants on pan India basis which include the state-of-the-art facility at Navi Mumbai. After closure of its Kolkata manufacturing plant, the SBU-IP continues to serve the eastern region market with Tolling Business Model locally. The plant at Vadodara has stabilized and is currently producing considerable volumes. The main focus of this plant is to cater the needs of Gujarat customers.

The modernization of the Chittoor plant is in progress. This will improve the productivity and quality of barrels. Further it will take care of the fruit season demand.

The SBU-IP manufactures high quality products ranging from Open-Head, Tight-Head, Plain, Lacquered, Composite, Galvanized, Tall, Necked-In and Conical Drums catering to diverse industry segments and to the best-in-class customers in these segments. These products are utilized for packaging Lubricants, Additives, Chemicals, Agrochemicals, Transformer Oils, Food and Fruit Pulp. Overall industrial growth is the key driver for the drum industry in India.

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

Balmer Lawrie retained Silver Rating from Ecovadis – a global solutions provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

## Opportunities & Threats:

### Opportunities:

- Introduction of new products thereby enhancing the product portfolio.
- Accessing new markets through Exports.
- Growing Chemicals market segment in India.
- Tapping new customer base in Gujarat through the new plant at Vadodara.

### Threats:

- High input costs of key raw materials eg. Steel in FY 2021-22 driving up MS Drums prices.
- Alternate Packaging (IBCs, Collapsible Bins, HDPE & Reconditioned drums).
- Competition from smaller players having locational advantage.

## Segment-wise or product-wise performance:

SBU-IP has been showing a consistent growth in volumes, turnover, profitability and profits. Despite the challenges posed by the 2<sup>nd</sup> and 3<sup>rd</sup> COVID-19 pandemic waves, SBU-IP was able to close FY 2021-22 with a strong business performance and growth.

Major contribution is from the segments like Lubricants, Chemicals, Transformer Oils and Fruit Pulp.

## Outlook:

With the on-going Ukraine war, the prices of steel have been volatile. However, with the Government taking major steps to tame inflation and levying 15% duty on steel Exports, the steel prices are expected to stabilize in the country. Overall industry growth and market demand is expected in FY 2022-23. The GDP is expected to grow around 7% in FY 2022-23 riding on strong comeback of 8.7% GDP growth in FY 2021-22.

SBU-IP expects to continue its growth in FY 2022-23. It anticipates significant growth in the coming years with the biggest drivers being Chemicals, Transformer Oils and Lubes segment. SBU-IP also plans to expand aggressively in the Exports segment.

## Risks and concerns:

Geo-political developments around the world e.g. Ukraine war etc. may pose challenges as an external environment.

Large number of unorganized players with low overheads, increasing presence of substitute products, low entry barriers etc. continue to pose strong competition for SBU-IP.

## Internal control systems and their adequacy:

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

## Discussion on financial performance with respect to operational Performance:

SBU-IP improved its overall efficiency through continuous Operational Excellence across various manufacturing units.

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

SBU-IP continues to enjoy cordial relationship with employees at all its units. The total number of people employed in SBU-IP as on 31<sup>st</sup> March, 2022 is 704.

## 2. GREASES & LUBRICANTS [G&L]

### Industry structure and developments:

In terms of finished lubricants, India is among the top three markets after China and the USA with 1750 Million Liters (without process oils) and valued at USD 5 Billion. 60-65% of the share goes to the automotive segment, while 35-40% go to the Industrial segment. Following the current slowdown due to the COVID-19 pandemic, the lube market in India is estimated to grow at a CAGR of 3-4% by volume through 2030. Post-2020, the market was challenged by a pandemic-induced slowdown in the economy and sluggish demand in the auto industry. With global players and local manufacturers putting up aggressive strategies for increasing their market share, the competition in the market is intense. There are many MNCs in the segment like Shell, Gulf, Total, BP, Castrol, Exxon Mobil etc. along with local companies like IOCL, BPCL, HPCL, Savita, Apar, Tidewater, etc.

### Opportunities and Threats:

#### Opportunities:

- Three manufacturing plants in Kolkata, Silvassa and Chennai.
- Excellent R&D facility.
- Positive brand image for Greases in the market due to its long-standing presence.
- Among the fastest growing markets worldwide, India is expected to continue to grow over the next five plus years.
- Strong affiliation and industry recognition in core sectors like Steel, Railways, Defence, Automobiles and Mining.

#### Threats:

- Competitors spend more on marketing, especially in the retail distribution network.
- Constraints in sales, marketing, and technical services.
- Aggressive pricing by PSU Oil Marketing Companies in the lubricant market.
- Supply security of base oils.

### Segment wise performance:

The Greases & Lubricants business is divided into three segments: 1) Channel Sales [Automotive & Industrial] 2) Direct B2B 3) Contract Manufacturing.

In Channel sales, the growth was flat as the market was recovering from the impact of COVID- 19. Also, increase in prices of raw materials like base oil and LiOH affected the demand towards lithium-based greases. The Industrial Distributor segment witnessed a growth of 13% over last financial year. Marketing efforts were made to promote the brand in events, exhibitions etc. The focus areas of SBU-G&L are:

- DEO & MCO segment.
- Launch of greases other than lithium base.
- Tractor segment which is a big industry across India.

- Increase distribution network.
- Launch new products in various segments.
- Marketing and branding activities.

In Direct B2B Sales SBU-G&L's focus was on generating business from new customers across industries. The other focus areas are:

- Gaining market share in high margin products.
- Working on Metal working fluids segment.
- Increase reach by participating in events, seminars, exhibitions.
- Increasing level of engagement with end users.
- Providing support through technical support team.
- Conducting trials for various products.

In the contract manufacturing segment, SBU-G&L continues to have a presence in order to improve its capacity utilization; however, the volumes have come down significantly over the years.

#### Outlook:

The outlook for the business remains positive for the next few years. SBU-G&L is making efforts to accelerate growth by broadly focusing on:

- Process improvement for increased efficiency.
- Increasing reach and penetration in the market by appointing Distributors.
- Increasing branding activities.
- Exploring opportunities in Infrastructure and mining industry.
- Increasing business share in Defense and Railways.
- Developing substitute products for lithium-based grease.
- Tractor, MCO & transport segment.

#### Risks & concerns:

- Fluctuating raw material prices.
- Issue of supply of base oils.
- Availability of low-cost substitute products.
- Relatively lower entry barrier for competition.
- Limited spend on branding vis a vis MNCs.
- Less OEM tie-ups.

#### Internal control systems and their adequacy:

SBU-G&L has adequate internal control systems suitable for its business needs. It also has a detailed Management Information and Control System to monitor performance against budgets / targets. All units of SBU-G&L are certified for quality system management and periodic / re-certification audits were conducted at all units for IMS 2018 (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018). The Silvassa unit is additionally certified to IATF 16949:2016 Quality Management System specifically for the automotive sector. Regular audits have been conducted during the year for assessment of internal control systems such as HSE Audit, Energy Audit, Internal Process Audit, Internal Financial Controls Audit and Legal Compliance Audit.

#### Discussion on financial performance with respect to operational performance:

During the year, SBU-G&L improved its profitability by working on margin retention and its overall efficiency through operational excellence across various manufacturing units.

Material developments in Human Resources / Industrial Relations

front, including number of people employed:

SBU-G&L continues to enjoy cordial relationship with employees at all its units. The SBU had total 171 permanent employees as on 31<sup>st</sup> March, 2022.

### 3. CHEMICALS

#### Industry Structure and Developments:

India is the second largest producer of footwear and leather garments in the world.

The Leather Industry is having its own importance in spite of facing Global and Industrial specific issues. The leather Industry is depending on the meat industry as leather is a by-product.

Leather processing consists of three stages. The first stage is Beamhouse, and SBU-Chemicals entered this segment with newly launched products. Volumes are improving year on year.

In the second stage, Wet end, Balmer Lawrie is a very strong. In this segment particularly in fat liquor, SBU-Chemicals has got handsome market share. The Research and Development team is continuously thriving to launch new fat liquor products to meet the customer demands.

In the third stage, which comprises the Finishing Chemical segment, SBU-Chemicals has started launching many products. This has given major advantage as now Balmer Lawrie has a complete product basket to cater to 'A' category customers.

India is rich in hide and skin as 20% of world cattle population and 11% of goat and sheep are in our country. Almost the entire supply of hides and skins are getting converted into leather and leather products for export and domestic use. There is huge scope in the leather chemicals market and thus, SBU-Chemicals has in place a robust plan to tap the market with both existing and new products.

The annual leather production in India is around 3 billion sq. ft which is 10% of the world leather production.

In the current year, the leather industry in India has partially recovered from effect of slowdown due to the COVID-19 pandemic. Thus, annual export of leather industry from India increased by 32% to USD 4.9 billion.

The leather industry is an employment intensive sector, providing job to about 4.5 million people, mostly from the weaker sections of the society. Women employment is predominant in leather products sector with about 30% share.

In terms of market potential in India, the Southern Region holds 44%, East has 23% and North 33%. Each region is manufacturing different products. Safety gloves in East, footwear and leather articles in South, and upholstery & garments in North.

With a complete product basket in hand SBU-Chemicals has been focusing on the Southern Region where the market potential is higher.

It is a fashion driven industry, and based on the current trends in fashion, new products are being introduced without affecting the cost of production of leather. Technical services and commercial viability are the important factors of this business.

During FY 2021-22, SBU-Chemicals was awarded with Gold Medal in Manufacturing Excellence Audit conducted by IRIM (International Research Institute of Manufacturing).

#### Opportunities:

SBU-Chemicals is a market leader in the Fat liquors segment and a significant market share holder in the Syntan segment. This SBU has enough opportunities to grow in other segments like Finishing and Beam House. SBU-Chemicals has introduced new chemicals in the Beamhouse segment like Wetting agents, Basic Chrome

sulphate (BCS) etc. The SBU also launched new range of finishing chemicals with modern manufacturing facility.

SBU-Chemicals has well equipped 'Technical Service Centers' in all the major leather manufacturing clusters in India and renders high quality technical service to the tanneries. The SBU developed eco-friendly, metal free tanning process with Glutaraldehyde which has now become popular in the market.

With a strong brand image, highly competent technical services team and increased product basket, SBU-Chemicals well positioned to improve the business in coming years.

Apart from the leather chemicals business, SBU-Chemicals is also foraying into other synergy chemicals such as textile chemicals and intermediate for agro-chemicals business. Some of the products in these segments have been launched and this will enhance the performance of SBU-Chemicals.

#### Threats:

- Major part of the industry is unorganized and is under MSME.
- Limited scope for mobilizing funds through private placement and public issue as most of them are family businesses.
- Stricter changing international environmental norms require regular upgradation, investment and newer infrastructure.
- High competition from MNCs and Italian companies.
- Lack of presence of Indian Brands in world leather fashion market.

#### Segment-wise or product-wise performance:

In spite of low demand of leather / leather products / footwear due to the COVID-19 pandemic second wave, this SBU was able to reach 10% higher volume compared to previous year and 33% higher turnover by capturing the market of imported Fat liquors. SBU-Chemicals was able to realize better price compared to previous years.

#### Outlook:

The path forward as envisaged in SBU-Chemicals is as follows:

- Improve the sales volume through existing dealers and increase the distribution channel by appointing new dealers in all the three regions.
- Focus more on new product lines like Beamhouse and Finishing Chemicals.
- Enter into other synergy businesses.
- Focus on export markets like China, East Africa, Korea and Bangladesh.

#### Risks and concerns:

Increasing usage of non-leather products and environmental norms are leading to close down of small tanneries.

#### Internal control systems and their adequacy:

SBU-Chemicals has leveraged SAP to control raw materials and overheads. The manufacturing unit at Manali, Chennai is certified for Integrated Management System comprising of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 of M/s. International Certification Services Private Limited, Mumbai.

SBU-Chemicals is a registered Member of Leather Working Group, UK (LWG).

The SBU is also striving for ZDSC Level 3 certification; few of its products are certified as ZDHC Level 1.

#### Discussion on financial performance with respect to operational Performance:

Less demand of leather articles worldwide on account of COVID-19 pandemic and the 2nd wave are the concern areas for SBU-Chemicals. The SBU managed to turn around and make profits through OPEX initiatives, process improvements, and proactive sales and marketing activities.

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

Training & development programs are continuously organized to improve the skill of employees with the help of internal and external faculties. SBU-Chemicals maintained cordial relations with all the stakeholders. The SBU had a total of 157 employees as on 31<sup>st</sup> March, 2022.

## 4. LOGISTICS

### Logistics Infrastructure (LI)

#### Industry Structure & Development:

The logistics industry is considered as an important sector to boost international trade because of digitalization and globalization. The logistics and freight industry is evolving rapidly and is regarded as the backbone of the economy in India as it ensures quick, efficient and economical transport of goods across the country and many commercial sectors that rely on it. The innovative and advanced technologies have provided increased efficiency and extra combined operating models in the logistics industry in India. Advancements in digital technologies, changing consumer preferences due to e-commerce, government reforms, and shift in service sourcing strategies are expected to lead the transformation of the Indian logistics ecosystem. The logistics market in India is forecasted to grow at a CAGR of 8% reaching USD 330 billion by 2025. The Ministry of Commerce & Industry estimates that presently the country spends about 14% of its GDP on logistics which is much higher than Japan (11%) and the USA (9-10%). As per the recent announcement on National Logistic Policy, the Government of India has displayed its intention to back the sector, bring down the cost of logistics to single digits, and enable it to become globally competitive.

SBU-LI comprises three main segments viz. Container Freight Stations (CFS) typically set up in the vicinity of ports, Warehousing & Distribution (W&D) and Integrated Check Post (ICP). CFSs are an extended arm of the port set up primarily with a view to decongest ports.

CFS provides an integrated platform for activities such as loading / unloading, transporting, stuffing, de-stuffing of containers. According to the Ministry of Shipping, around 95% of India's trading by volume and 70% by value is done through maritime transport. In November 2020, Hon'ble Prime Minister, Shri Narendra Modi renamed the Ministry of Shipping as the Ministry of Ports, Shipping and Waterways. During FY 2021-22, container handling at the top 12 ports in India went up by 16% which is better than the last year's negative growth of 13.5% that was majorly attributed to the COVID-19 crisis. The total container throughput in India during FY 2021-22 was around 12.76 million TEU while it was 10.98 million TEUs in FY 2020-21. Presently, the Company has three state-of-the art CFSs located at Nhava Sheva, Chennai and Kolkata. Incidentally, these three ports account for nearly 56% of the total container traffic handled in Indian ports. The import volume in the three ports of JNPT, Kolkata and Chennai increased by 25% but the volumes moved to CFS from the port in these three cities went down by 19% during FY 2021-22 as compared to the earlier year. The main reasons for the drop in share of all CFS volumes is due to development of ICDs and the implementation of Direct Port Delivery (DPD) across all the locations. The industry witnessed the implementation of technology driven policies to clear the containers or cargo at fast pace to facilitate "ease of doing business" for the importers and exporters. DPD especially

at Nhava Sheva was started during the fourth quarter of FY 2016-17 and the measures taken to streamline its effective implementation resulted in significant reduction of volumes available for CFS, and approximately 70% of Import volumes at JNPT have been cleared through the DPD route.

The Indian warehouse market reached a value of INR 1,113 billion in 2021. Looking forward, IMARC Group expects the market to reach INR 2,069.6 billion by 2027, exhibiting a CAGR of 11.9% during 2022-2027. The usage of the warehousing system in India has gained significant prominence over the past few years. It also involves managing warehouse infrastructure and processes that involves the handling and storage of cargo in an efficient manner.

The Indian warehousing industry gathered more impetus and prominence especially during the last 4-5 years with notable triggers being the implementation of Goods and Service Tax (GST) in the year 2017 and grant of recent infrastructure status to the Logistics industry. This paved way for reorganization of supply chain wherein the focus was more on improving the efficiency of supply chain and not merely on achieving tax savings. Resultantly, fragmented small warehouses are being replaced with large fulfilment centres in major key markets. The growth in Indian warehouse industry is led by various factors, prominent amongst them are initiatives of the Government like Make-in-India in facilitating manufacturing at the local level, the implementation of Goods and Service Tax (GST), growth of e-commerce, digitisation, thrust of the Government on cashless economy, growing domestic consumption, favourable increase in international trade, and growth in private and foreign investments in infrastructure. At present, warehousing in India is mostly concentrated in tier-I cities, such as Bengaluru, Chennai, Kolkata, Mumbai, Delhi-NCR, Ahmedabad, Pune and Hyderabad. However, with the rising demand for e-commerce activities and doorstep delivery services in the tier-II and tier-III cities, the warehousing sector in India is expected to grow potentially in the coming years. The Company's warehousing and distribution facilities are presently fully operational at Kolkata & Coimbatore locations. In addition to this, a warehousing and distribution facility is being operated out of Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis over an area of 80000 sq. ft., which includes a cold storage area of 5000 sq. ft since February 2020. CFS Kolkata added 43000 sq. ft area of warehouse in addition to the existing 37000 sq. ft to increase focus on warehousing activities.

#### **Opportunities & Threats:**

In India, there is a huge opportunity to tap the market in containerized segment. India's containerization level still stands at 60% whereas in most of the developed countries it is in the range of 70-75%. Strong growth supported by Government reforms, transportation sector development plans, growing retail sales and the e-commerce sector are likely to be the key drivers of the logistics industry in India in 2022. Online freight platforms and aggregators have been on the rise in the Indian logistics market, given the need for low entry barriers and less capital investment compared to setting up of an asset-based business model. Manufacturing in India holds the potential to contribute up to 25%-30% of the GDP by 2025 which will drive the growth of the warehousing segment in India. E-commerce is another major segment which is expected to support growth of the logistics industry during the forecast period. The Sagarmala Programme, the INR 9.2 trillion investment proposals of the Government of India entailing setting up of new mega ports, modernization of India's existing ports, development of 14 Coastal Economic Zones (CEZs) and Coastal Economic Units, enhancement of port connectivity via road, rail, multi-modal logistics parks, pipelines & waterways and promotion of coastal community development, all point to a very positive direction for the Logistics Infrastructure business. Besides these, there are ports where number of CFS operators are quite less. It can also be noted that the growth of traffic at non-major ports has been significantly increasing year on year. With the implementation of GST and the increase in volume of containers

getting cleared through DPD, the handling of LCL consolidators' cargo and venturing into warehouse and its affiliated activities like offering value added services in addition to the CFS services like last mile transportation, packaging, labelling, and distribution can be seen as opportunities in the long term. There is a proposed mega port at VadHAVAN in the Palghar district of coastal Konkan region. The proposed port is part of the ambitious Sagarmala Programme, the flagship project of the Ministry of Shipping. VadHAVAN (or Wadhavan) is located in Dahanu tehsil of Palghar district nearly 140 km off downtown Mumbai. In October 2021, Hon'ble Prime Minister launched PM Gati Shakti - National Master Plan for Multi-modal Connectivity, essentially a digital platform to bring 16 Ministries including Railways and Roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate the last mile connectivity of infrastructure and reduce travel time for people.

The Company is also working on the management of Integrated Check Post (ICP) operations and already started managing ICP at Jogbani since 2016. The Unit performed well as compared to last year and registered of 106% of budgeted volume, 111% of turnover, 110% of budgeted profit. Besides this your company is in the process of asserting feasibility of operating other ICPs at different locations.

The LI vertical won the "Logistics Excellence – Innovative Service Provider of the Year" award at the 2nd Annual Warehouse & Logistics Excellence Awards 2021 for its innovation in the Logistics industry over the year. The warehousing activity continued to perform well during the year due to better utilization of space and the business segment of Temperature Controlled Warehouses has also started looking up.

The shipping lines and ports are going for a backward integration in order to offer customised logistics solutions to their customers. The decrease in the dwell time of the containers at the CFS is affecting the bottom line of the organization. The competition in the industry is forcing the players to follow the same suit so as to retain the volume. Container volumes handled by Mundra Port in Gujarat expanded by 15% in fiscal year 2022, with its volumes being handled almost equivalent to Mumbai's Jawaharlal Nehru Port Trust (JNPT). This is also a matter of concern since Balmer Lawrie doesn't have any presence in this port. In the recent years, though the DPD concept has been partially diluted by moving the containers to CFS as part of DPD / CFS facility by the importers / forwarders and CHAs, there has been an increase in the bargaining power of Forwarders / Importers / CHAs to move the containers to the CFS of their choice by getting the best rates with maximum free days possible in the market. On an average 70% of the volumes are being diverted from DPD / CFS to different CFSs in JNPT where the margins on the containers are very less. The similar trends of DPD volumes of 46% in Chennai and 41% in Kolkata have been affecting the volumes available to CFS. With the increased DPD and various customs-initiated reforms like Risk Management Systems (RMS), almost all the CFSs remain largely underutilized. They are currently functioning at around 40% of their functional capacity. Another reason for the losing business is the introduction of RMS by the Customs, which has taken away 60% of the non-DPD business. Under the RMS regime, as much as 60% of the shipments do not need customs clearance.

#### **Outlook:**

With DPD taking off in India in a big way towards achieving reduction in logistics costs, Container Freight Station (CFS) operators in the country face a grim future. However, SBU- LI is able to bring together a unique set of value proposition to its customers. SBU- LI is expecting the CFSs to be the major contributor to the bottom line. SBU-LI is in the process of entering into a long-term contract with major Shipping Lines which will garner steady business. All the CFSs are in the course of having long-term association with major Import houses (DPD clients) which will ensure steady business.



SBU-LI is also conducting feasibility studies for opening ICDSs, warehouses in various potential locations and expecting finalization of projects in the due course. Within the asset-centric business, SBU-LI offers a basket of solutions: Container Freight Stations, Ambient Warehouses, ICP catering to land ports and a Multimodal Logistics Hub (through Vishakhapatnam Port Logistics Park Limited). The comprehensive services offered across pan India locations make SBU-LI a partner of choice for Importers, Exporters, Shipping Lines, CHAs, Freight Forwarders and the trade. So, while there is a wide variety of hurdles for the industry and SBU-LI, it is expected that a combination of diversified service range, pan-India presence, technology-led customer centricity, and knowledgeable resources will ensure that SBU-LI is able to grow in the face of significant economic crisis inflicted by the pandemic.

## Risks & Concerns:

CFSs are dynamic process transformations and various policies of the Governments such as DPD, Online DO and face assessment are making the industry more competitive. The shift to DPD at ports like JNPT puts the Rs 4,500-crore CFS industry in an existential crisis. In the last five years, the industry has grown at 6-8% annually. JNPT, which alone accounts for over 50% of the container handling in the country, witnessed a substantial growth in the DPD volume. More efficient and technology driven port operations are enabling reduced dwell time. In view of the stiff competition, CFSs are not able to pass on the increase in costs to the customers. Overall, there is a substantial reduction in earning per TEU for most of the CFS operators. Challenges faced by SBU-LI are being addressed through appropriate management intervention, employee involvement and improved processes.

## Internal Control Systems and their Adequacy:

SBU-LI through its Operation package i-Comet has built in high degree of control with checks and balances to conduct its operations effectively and efficiently. Financial records are however maintained in SAP. There are periodic internal and external audits conducted for the SBU. SBU-LI, like all other SBUs of the Company has a very robust Performance Budgetary control system whereby actual performance is weighed against the Business Plan developed before the commencement of the year. All the three units of SBU-LI are certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and AEO-LO. Additionally, CFS Mumbai is certified with ISO 28000:2007, CT-PAT and CFS Chennai is certified with ISO 28000:2007.

## Discussion on Financial Performance with respect to physical/operational performance of SBU-LI:

During FY 2021-22, SBU-LI was able to achieve 6% growth in terms of imports, 35% growth in terms of exports. However, due to cut throat pricing and competition from industry and reduction in dwell time of containers at CFS, the turnover reduced by 20% and profit reduced by 26% in comparison to last year.

## Material development in Human Resources / Industrial Relations: including number of people employed:

Industrial relations in all the units of CFS, WD, ICP, AMTZ and MMLH remained cordial right throughout the year. As on 31<sup>st</sup> March 2022, the SBU-LI had a total of 105 employees.

## Logistics Services (LS)

### Industry Structure and developments:

The Indian logistics market is expected to expand at an annual compounded growth rate of 8% over the next five years reaching USD 330 billion by 2025. Phenomenal growth of e-commerce industries, impending technical advancements along with digitalization, expanding retail market, launch of various schemes like PLI, Make-in-India, Atmanirbhar Bharat, PM Gati Shakti, Digital India and expansion of retail market in India are the key contributors to the

growth of the Logistics market in the coming years. The keen focus on building connectivity through a better road network, dedicated freight corridors, tech-driven warehousing along with multimodal logistics parks, indicate that the age-old perception of "logistics is just about transportation" is changing.

Despite the enhancement in the logistics performance index from the 54th Rank in 2016 to 35th rank in 2018, India has substantial potential for improvement. Presently, the logistics sector in India is highly fragmented with most of the marginal players having no access to technology and digitalization, and hence "Unified Logistics Interface Program" (ULIP) becomes a very important cog in the wheel, which will help in reducing time and costs, in well-organized inventory management along with fewer efforts in the documentation. Better infrastructure, improved logistics and higher economic growth are directly correlated.

Online freight platforms and aggregators are on the rise in Indian Logistics market, given the need for low entry barriers and less capital investment compared to setting up of an asset-based model. Manufacturing in India holds the potential to contribute to 25% to 30% of the GDP by 2025 which will drive the growth of warehousing segment in India.

With the announcement of an outlay of Rs. 1.97 lakhs crore for Production Linked Incentive (PLI) Schemes across 13 key segments in India, it will encourage the foreign investors to set up manufacturing units in India removing the sectoral disabilities and creating economies of scale. The scheme will boost Indian exports.

Digital India initiatives like e-invoice, fast tags etc. to streamline logistics operations along with developing the efficient multi modal logistics mix (road, rail, waterways) and Government thrust on developing freight corridors & MMLPs for seamless movement of products shall pave the path towards optimizing the logistics cost of the country.

The Indian logistics sector provides livelihood to more than 22 million people and improving the sector will facilitate 10% decrease in indirect logistics cost potentially leading to a growth of 5 to 8% in exports. The growth in logistics sector is expected to be driven by last mile connectivity as well as the growth of economic activity and manufacturing. Online freight platforms and aggregators are on the rise in the Indian Logistics market, given the need for low entry barriers and less capital investment compared to setting up of an asset based model.

## Opportunities and Threats:

The Global Freight Forwarding market size is expected to grow from 180.66 billion USD in 2021 to 220.34 billion USD in 2026 at a CAGR of 3.5%. The positive trade outlook in January & February 2022 has gradually faded amidst the intensifying Russian – Ukraine crisis, and Russian sanctions, especially against oil and gas exports, could result in a shift in trade pattern. Overall container volumes declined by around 5% year on year in February 2022 although demand remained buoyant as the yearly decline reflected seasonal swings caused by Chinese New Year and the impact from COVID-19. Container import levels remained strong in North America and Europe; however, there is an expectation of lower container volumes as a result of Russian sanctions and weaker demand in Europe. The initial months of 2021-22 have seen a huge crisis in availability of containers due to Suez Canal blockage and surge in COVID-19 cases across the globe. The ripple effect of such crisis resulted in huge spike in the ocean freight rates. The ocean freight forwarding market contracted by 3.8% in 2020 with air freight taking a bigger hit of around 13%. With gradual unlocking of the economy despite intermittent disruptions, ocean freight market is set to grow at 7.6% in 2021 with an estimated CAGR growth of 4.5% till 2025. The growth will be largely driven by ongoing recovery in volumes, switches from air to sea and new trade agreements generating more trade. Air freight too is expected to improve owing to recovery in global trade and strong growth in air freight intensive sectors like high

tech, pharmaceuticals and cross border e-commerce. Increasing investments and trade point towards a healthy outlook for the Indian freight sector. Port capacity is expected to grow at a CAGR of 5% to 6% by 2022 and freight traffic on airports in India has the potential to reach 17 million tonnes by FY40.

The outlook for Indian freight forwarders is positive primarily on account of the Government policies like Atmanirbhar Bharat, which is expected to boost exports and Make-in-India initiative that may see several foreign companies setting up manufacturing facility in India. Despite the sector being highly fragmented with a large number of unorganized players, credibility of Balmer Lawrie as a PSE, strong pan India presence, worldwide strong Associate network, robust technology and the transition of customers towards organised players with skills, expertise and financial strength shall help us to remain entrenched in the market and carry the brand of being the most reliable service provider.

#### **Segment wise or Product wise Performance:**

During the year SBU-LS achieved all-time record turnover of Rs.458 Crores and a registered top growth of around 24% and moderate growth in bottom line of Rs.8 Crores respectively as compared to previous year. The growth was driven by incremental business in nearly all activities of our Freight Forwarding notably in Ocean Freight, Air Export and Project Logistics.

#### **Discussions of Financial Performance with respect to Operational Performance:**

During the year SBU-LS witnessed significant growth in top line and moderate growth in bottom line despite pressure on margins on account of volatility in ocean freight rates and fixed price contracts. The increase is primarily on account of the following:

1. 53% growth in Air Exports on account of incremental business from existing customers.
2. 59% growth in Ocean Exports on account of significant increase of private sector business.
3. Significant increase in Project Logistics activity.

#### **Outlook:**

The Russia-Ukraine situation continues to weigh on the global economy, disrupting supply chains and adding to inflationary pressures. Sanctions have led to the suspension of virtually all trade links between Russia and the West including rail freight services between China and Central and Western Europe. Owing to the global trade war and China's authoritarian policies, there is a gradual shift of business from China, and India is emerging as a land of opportunities backed by abundant supply of resources, cheap manpower, geographical advantage and Government reforms on FDI etc. Various companies have started to retreat from China and planned establishments in India especially in the Electronics segment. Growing e-Commerce demand, changing consumption patterns and rapid adoption of omni-channel distribution models by companies in the backdrop of COVID-19 outbreak are likely to push demand for logistics spaces across the country.

SBU-LS was able to retain its major GOI and CPSU customers and was also able to sign some of the new activities from those contracted customers. The SBU is now focusing on private business especially in the Air Export segment of perishables by tying up with APEDA and also eyeing the project cargo business of private customers.

SBU-LS has a well-defined plan and ambition to continue increasing its private sector business with a view to improve topline as the new Sales team gains traction on a pan India basis. The combination of experienced and knowledgeable manpower as well as a fresh talent in the sales team will enable the SBU to adapt to the changes faster. SBU-LS has focused on strengthening its Marketing wing through proactive brand positioning and enhancement in different forums and digital platforms to drive exponential growth.

Major focus has been emphasized to enhance 'Customer Delight' by providing one stop logistics solution aligning Logistics services along with Infrastructure and 3PL services. SBU-LS has plans to enter the 3PL business and is exploring options to diversify in other areas of logistics to become an Integrated Logistics solutions provider.

Technology being the backbone of customer satisfaction, SBU-LS is in the process of implementing new initiatives like online customer survey feedback and customized IT solutions for faster, dedicated, and focused time bound service and delivery.

Disruption of services due to the COVID-19 pandemic will lead to lot of consolidations amongst the small freight forwarders, which will open gates with various customers for SBU-LS.

SBU-LS has been continuously working closely with its worldwide Agents & Associates. In some cases, SBU-LS enjoys exclusivity with some Associates and is working closely with other players to nurture a similar relationship to gain reciprocating business. SBU-LS has also increased the number of Associates in different countries like China, Vietnam and Turkey to be more competitive in handling Ocean volumes.

SBU-LS continues to be an active member of different Industry associations like ACAAI, FFFAI, WCA, JCTTRANS, AMTOI, CII Logistic Forum, Bengal Chambers Shipping Committee to name a few.

#### **Risks and Concerns:**

SBU-LS works in a highly competitive market, facing aggressive price competition majorly from multinationals and big local forwarders. Revenue generation avenues in the hands of logistics operators is getting squeezed due to the highly competitive and customized services offered, while input cost in terms of freight as charged by carriers showing increasing trend. The issue is expected to become more intense and volatile in the near future for at least one year. Big competitors are increasing their strength by mergers and acquisitions with a view to grab incremental market share. The global trade war between China-US has influenced the Maritime & Logistic platform, which also has affected our buying rates. Overall economic activity and trade volume started declining since January 2020 impacting the Exim volume.

Major shipments are getting converted to CIF from FOB which is ultimately affecting our top line as well as some of our contracted customers are moving towards buying on CIF / DAP INCOTERMS instead of FOB. The industry as a whole is providing a one stop solution to their customers and is also making investments in technology, infrastructure & training to bring in synergy with increasing demand from customers on service levels. Capacity reduction for carriers, blank sailing and unavailability of PAX / Cargo Airlines will increase input cost of services till the COVID-19 pandemic continues.

SBU-LS is taking adequate steps to mitigate the challenges through our established and growing global associate network and offering our clients single window logistics solutions under one roof. The SBU has revamped its existing technology and has plans to further upgrade it to meet future business challenges.

#### **Internal Control Systems and their Adequacy:**

The SBU has in place an effective Internal Control Mechanism and during the year under review, a fairly large number of Internal Audits were carried out in all branches and the findings were found to be satisfactory. All the branches of the SBU-LS are ISO accredited and such accreditations were valid in FY 2021-22.

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

Industrial relations continued to be cordial at all units while the SBU-LS operated with optimum level of manpower across the units. The SBU had a total of 116 employees as on 31<sup>st</sup> March, 2022.

## 5. TRAVEL & VACATIONS

### Travel

#### Industry Structure & Development:

The COVID-19 pandemic had a severe impact on the civil aviation sector with airlines, airports and related services coming under financial stress in FY 2021-22. There was a fall in air passenger traffic in India due to the pandemic and as of March, 2022, air passenger traffic in India had not returned to the pre-pandemic levels. As per projected numbers provided by the Ministry, passenger traffic is expected to cross pre-pandemic levels in FY 2023-24.

The Indian aviation industry is expected to incur large losses in 2022 as Airlines will have to carry the costs of a large proportion of their fleet remaining grounded, especially those that were earlier deployed on international routes. India's passenger traffic stood at 131.62 million in FY 22 (from April to December, 2021), corporate travel is expected to improve in FY 22, but travel budgets are expected to remain lower by 50% compared to 2019. (Source: Morgan Stanley survey).

However, since March 2022, due to the waning impact of COVID-19 and the Government's decision to lift travel-related curbs, air traffic has been witnessing a strong rebound. According to rating agency ICRA, a sequential growth of 37% (10.6 million) in domestic air passenger traffic was seen in March, 2022 compared to 7.7 million in February, 2022, and YoY growth of 35% compared to 7.8 million in March, 2021.

The increase in air traffic is a welcome sign for aviation players who incurred massive losses in FY 2021-22 due to poor demand amid travel restrictions. The industry now expects this momentum to continue due to a huge pent-up demand, for which most players are ramping up their operations.

#### Opportunities & Threats:

India is expected to become the third-largest air passenger market by 2030, according to the International Air Transport Association (IATA). From around 8.8 million in 2019, international tourist arrivals are expected to reach 30.5 million by 2028 and generate revenue of over US\$ 59 billion. However, domestic tourists are expected to drive the growth, and 85-90% of the travel & tourism spend is expected from domestic travelers.

While the overall industry opportunity is very significant and allows players to have a lot of headroom, the fact remains that the industry is changing at an unprecedented pace through rapid absorption of cutting-edge technology. An organisation like Balmer Lawrie is traditionally viewed as one operating through travel counters and implants, catering to in-person requirements and that provides us a significant arena for improvement. We have focused to strengthen our digital presence through development of a revamped B2C website with emphasis towards Vacations and other services on a common platform. Domestic and International ticketing, Hotel Booking, Ancillary services have come together with superior search facility to cater to a wide range of consumer requirements. We are planning to offer customer-specific booking website to large corporates and have already launched a dedicated website for Government of India employees for their official travel. These digital offerings, along with our counter staff, implants, local presence through collaboration & tie ups, will allow us to offer a hybrid brick & click solutions to our customers.

The Travel vertical has strengthened its operations, sales and software capabilities which have led to a significant increase in our client-base. Customers are coming to Balmer Lawrie and opting for tech-rich solutions such SSBT / SBT as we are able to offer holistic cost-effective customized services to our corporate clients. We have successfully acquired premiere private sector clients by demonstrating tech-enabled solutions and commitments of superior service. The Travel vertical has fully utilised the time to gear up for

the future demand and we are planning to have centralised ticketing in order to increase our efficiency and ensure a consistent service experience for our customers.

#### Outlook (Industry / BL):

The Travel and Tourism industry contributed nearly US\$ 122 billion to India's GDP and is expected to grow at a CAGR of over 10% to command nearly US\$500 billion by 2028. It is a key industry for employment and forex earning and the Government has readied a slew of initiatives to make the most of the opportunity. In the Union Budget 2022-23, an additional US\$ 316.3 million was earmarked for Ministry of Tourism.

Regional Connectivity Scheme (RCS) has been launched and AAI plans to invest Rs. 25,000 crore (US\$ 3.58 billion) in the next five years to augment facilities and infrastructure at airports. For a better execution of the PM-Gati Shakti vision, Ministry of Civil Aviation (MoCA) has called for synergy between the Central and State Governments to build 16 new airports in Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Rajasthan, and Maharashtra. In March, 2021, on the launch of the 'Azadi Ka Amrit Mahotsav (India@75)' by the Government of India, MoCA has proposed 392 routes under the UDAN scheme. India's aviation industry is largely untapped with huge growth opportunities and the Government is trying to make it more accessible and affordable.

Operators are also optimistic about the Indian aviation potential. Tatas have acquired Air India from the Government and are in the process of infusing fresh capital to acquire / lease fresh aircrafts and as per news reports it is in talks for placing one of the largest ever order of 300 aircrafts. Jet Airways is trying to revive itself and Akasa Air, the start-up airline backed by Rakesh Jhunjhunwala has received NOC from MoCA to commence operations.

#### Risk and Concerns:

The COVID-19 pandemic has greatly disrupted the Tourism and Hospitality industry. As Balmer Lawrie's Travel business primarily depends on air travel and airlines for its revenue, the prolonged travel restrictions have had its consequences. As a response, the industry players have tried to reduce costs such as cutting of distribution cost by airlines, denial of segment fee from GDS, reduction of corporate travel budget, usage of technological solutions for meetings and conferences etc.

However, fortunately there has been a sharp uptick in the industry owing to a confluence of occurrences – slowing of infections after the Omicron wave in the beginning of the year, widespread vaccination including preventive doses, the opening of international air traffic and has and all these led to a sudden upsurge of bookings. The industry is now faced with a talent shortage as the prolonged slump in the hospitality sector had compelled most to look at other employment avenues.

#### Segment wise or Product wise Performance:

The Travel vertical is broadly catering to three customer segments: Government (including Defence), Public Sector Enterprises (and Autonomous bodies) and Private Sector Organisations. The first two consist of over 90% of business for the vertical.

Balmer Lawrie offers Air Ticketing and related services such as Hotel Booking, Forex, Insurance, Transportation etc. Ticketing Services consist of over 90% of the business for the vertical.

#### Internal Control System and their Adequacy:

With centralization of ticketing activity and reconciliation, the vertical has better control on fund flow and better assurance of revenue through Standard Operating Procedures and technology-based access control.

Illustrative processes which have augmented the control systems are: periodic reviews of debtors, centralized payments to airline

and vendors, centralized vendor management, robust IT Tools for ticketing, implementation of E-Payment, implementation of credit limit functionality to avoid over exposure, periodic reviews, centrally for airline deals and mapping it on the system, relationship to coordinate with customer for better service delivery, etc.

**Material Development in Human Resources/ industrial Relations including number of people employed:**

The travel vertical of SBU-Travel & Vacations organised regular training for soft skills, email writing, and communication skills for the employees in the year 2021-22 to keep them updated and equipped for smooth, efficient, and effective customer service. Regular meetings and off-sites were arranged for employees to begin cross-selling products of Travel & Vacations. The off-sites have also helped in recharging and motivating the workforce after the COVID-19 pandemic. Key Account Management function has been created, and employees have been regularly briefed and trained to ensure good customer service and boost sales. The Top Management of the Company have regularly been in touch with the pulse of the employees by conducting open house sessions and addressing the issues that came forth. To take care of employee well-being, vaccination camps at various locations were organised. Further, on need basis doctor consultation and oxygen concentrator was provided to employees and their families. COVID-19 protocols at workplaces were maintained thoroughly in line with Govt. guidelines for better employee health, well-being, and hygiene at the workplace. The employee strength as on 31<sup>st</sup> March, 2022 stood at 244.

**Vacations**

**Industry structure and developments:**

The United Nations World Tourism Organization (UNWTO) reported that Tourism grew 4% in 2021 but remained far below pre-pandemic levels. UNWTO World Tourism Barometer indicates that rising rates of vaccination, combined with easing of travel restrictions due to increased cross-border coordination and protocols, have all helped release pent up demand. International tourism rebounded moderately during the second half of 2021, with international arrivals down 62% in both the third and fourth quarters compared to pre-pandemic levels. According to limited data, international arrivals in December were 65% below 2019 levels. The full impact of the Omicron variant and surge in COVID-19 cases is yet to be seen. The pace of recovery remains slow and uneven across world regions due to varying degrees of mobility restrictions, vaccination rates and traveler confidence.

UNWTO scenarios indicate that international tourist arrivals could grow by 30% to 78% in 2022 compared to 2021. However, this would still be 50% to 63% below pre-pandemic levels. While international tourism bounces back, domestic tourism continues to drive recovery of the sector in an increasing number of destinations, particularly those with large domestic markets.

**Indian Tourism:**

Year 2021 ended with a note of promise. The largest vaccination drive against COVID-19 in India has shown a glimmer of hope for the tourism market in the coming year.

As the vaccination drive covered a large share of populations around the globe, people went back to making travel plans, but then Omicron upended those plans. Countries started closing their borders again, travel advisories were given out and international tourism turned cautious. India was 96% below its pre-pandemic numbers till June last year, which means almost all of its international tourism earnings got wiped out. Though the Indian tourism market started to open in July 2021, the multiple waves of Omicron in November dampened the industry. In a study conducted by National Council of Applied Economic Research (NCAER) estimated 3.5 Crore were directly and indirectly employed in 2019-20, but by third quarter of 2020, the number had fallen by 18 lakhs. As for the overall tourism economy,

the report said the total expenditure by tourist could be back to the 2019 levels by 2024-25, primarily driven by domestic tourism.

From November 15, 2021, India allowed fully vaccinated foreign tourists to visit India, which will help revive the Indian travel and hospitality sector.

**Opportunities and Threats:**

The trajectory of the tourism sector, especially international tourism, remains uncertain due to the spread of the Omicron variant of COVID-19, according to Economic Survey 2021-22. The pandemic has had a debilitating impact on world travel and tourism everywhere, including India, and the resumption of international tourism will continue to depend largely on a coordinated response among countries, said the Survey. Tourism is at a crossroads, and the regulations in place today will determine how tourism develops in the future.

With surging vaccination rates, travellers are gaining confidence to make holiday plans, leading to tourism industry seeing early signs of rebound. Indian tourist destinations have risen to prominence as a result of strong pent-up demand and the relaxation of domestic restrictions in the face of the limited reopening of international borders. In the near term, the expectation is that domestic tourism offers the main chance for driving recovery and supporting the tourism sector. As the economic downturn bites, it appears that people are exploring more local and budget-friendly offerings to satisfy their wanderlust, such as workations, staycations, drive-cations, affordable luxury holidays, and so on. Passengers, whether travelling for pleasure or business, are choosing domestic destinations now, to ensure manageable levels of safety and hygiene while also avoiding the fluctuating quarantine rules between countries.

Travelers should expect the unexpected and should plan for not only airline delays, cancellations, and baggage problems, but also for COVID-19 outbreaks in their destination countries, stressing the need for caution and vigilance when travelling, especially considering the Omicron variant. Travelers need flexible plans if a booked location has a sudden rise in cases and must have a Plan B destination or activity as a backup.

**Segment-wise or product-wise performance:**

During the FY 2021-22, the borders were hardly open and the pandemic second wave in various parts of country adversely affected business leading to reduction in the overall revenue and contribution. There was a growth in overall business of about 3.5 times compared to last financial years. Both Corporate business and Domestic MICE achieved significant growth compared to last FY. Post pandemic, people are avoiding group tours and are carrying on with solo trips, hence, there were no GITs while FIT was restricted to few countries as most of the borders were closed during FY 2021-22. The Vacations vertical tried to market virtual events and successfully entered in this segment. Though, there were cancellations of booked tours, yet the vertical was ready with products, trained manpower, upgraded technology and relevant overall strategies to make the coming years fruitful.

**Outlook:**

Tourism saw a strong start in 2022 while facing new uncertainties. However, the Russian invasion of Ukraine adds pressure to existing economic uncertainties, coupled with many COVID-19 related travel restrictions still in place. Overall confidence could be affected and hamper the recovery of tourism. Based on the latest available data, global international tourist arrivals more than doubled (+130%) in January 2022 compared to 2021 - the 18 million more visitors recorded worldwide in the first month of this year equals the total increase for the whole of 2021.

As per the World Economic Forum (WEF) study, India's travel and tourism sector has shown 'signs of recovery' with COVID-19 cases considerably declining and relaxation on inbound / outbound travel,

and the anti-COVID-19 vaccine booster rollout, and more people are looking at 2022 as the year of domestic travel, revenge travel, workations, corporate travel and road trips. The airport industry is also witnessing trends that are bringing a massive change in domestic and international travel experiences overall. The Centre for Asia Pacific Aviation (CAPA) India, in a report titled India Airline Outlook 2022, has indicated that 2022 is expected to see a surge of 52% in domestic and 60% in international air traffic. The associated airport services like lounge access, dining, spa is likely to grow with the increase in number of air passengers. Estimates based on FICCI data states that in the next 10 years the number of airport lounges in India is expected to grow almost by 100%. The first quarter of the year 2022 showed promising spike in the travel graph despite the Omicron wave denting the travel ecosystem as a healthy number of people from Tier 2 and Tier 3 cities in India did book and enjoy their long pending vacations. 79% of travelers are now more open to different types of vacations, according to a 2022 trends survey by a booking website.

India has conquered the position of the being the third largest aviation market in the world and is expected to overtake China and the United States as the world's third-largest air passenger market in the next ten years, by 2030, according to the International Air Transport Association (IATA) #ConqueringSpace&Time. Digital transformation trends have been having a profound impact on the Tourism segment. Personalization & tailored packages as per customer preference, global mobile presence, Artificial Intelligence, Chatbots, IOT, focus on Big Data, Adventure tourism and many more have been the modern tourism trends.

#### **Risks and concerns:**

Tourism has endured a terrible pandemic, and the bad news is that 2022 will only bring a partial recovery. Borders are reopening, but international travel will still be difficult. Compliance with climate-change regulations, as well as higher fuel prices and wages, will also push up air-travel costs in 2022. This will eventually lead to airline mergers, airport closures and higher ticket prices.

#### **Internal control systems and their adequacy:**

The vertical has in place an effective internal control mechanism and during the year under review, a good number of internal audits involving customer feedback management, billing to customers, etc. were carried out in all branches and the findings were found to be satisfactory.

#### **Discussion on financial performance with respect to operational performance:**

There was a growth in revenue as compared to the previous year. During FY 2021-22, owing to the various challenges posed by the pandemic, there was a reduction in overall revenue and profits. The SBU is now geared up to take advantage of the surge in travel with a robust future roadmap and technology interventions.

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

Employee relations continued to be cordial at all branches of the Vacations vertical. The vertical continues to upgrade the skills of employees through necessary training and development programs. As on 31<sup>st</sup> March, 2022, the vertical had a total of 72 staff. Given the circumstances, Vacations has undertaken an exercise on rightsizing the team to operate in a lean and efficient way.

## **6. COLD CHAIN SERVICES [COLD CHAIN]**

#### **Industry structure and developments:**

The Cold Chain industry in India was at a nascent stage mostly operating with 8186 cold storages facilities till August, 2020 as per the data published by the Ministry of Agriculture and Farmer Welfare. However, the industry is set to emerge as a sunrise sector

with high investment potential in the coming years. India being an agro-based nation, one of the major challenges faced is huge losses of agricultural produce due to improper storage at right temperature and proper infrastructure along with transportation at optimum temperature. Further, with the effect of COVID-19 pandemic across the globe, the industry has not only witnessed a huge demand in storage and distribution of vaccines and pharma products across India but also has become highly quality sensitive in terms of logistics and warehousing options. With the growth in organised e-commerce, modern retail and quick service restaurants, there has been an upsurge in consumer demand for end-to-end Cold Chain logistics solutions.

The Government of India has come up with various initiatives in providing aids, schemes, concession on various duties and income tax benefits to the Cold Chain industry. Due to all these recent developments, there has been a huge demand of organised cold chain industry offering state of art Temperature Controlled Warehouses (TCWs) along with value added services like pre-cooling, pre-conditioning, ripening, packaging, blast freezing, etc. and primary and secondary logistics by Temperature Controlled Vehicles (TCVs). Requirement of service providers with the support of digital technologies for online temperature monitoring, inventory visibility is also increasing. Focus on Artificial Intelligence and IOT have become important in Cold Chain like other Logistics verticals. The Cold Chain industry is observing a paradigm shift from unorganised cold storage to organised end-to-end cold storage solutions.

The Cold Chain market is expected to grow at nearly 14% per annum on a sustained basis over the next 4 years. The Indian Cold Chain market reached a value of INR 1,285 billion in 2020. The market is estimated to reach a value of about INR 2,865 billion by 2026. The major drivers of the industry include rising disposable incomes, increasing middle class population, growing organised food retail, increased production and consumption of perishable food products, and the rapid urbanisation and industrialisation. The favorable Government policies together with its intent of setting up several mega food parks is expected to be a key trend guiding the growth of the industry. The major products include fruits and vegetables, meat and fish, dairy products, and healthcare products. SBU-Cold Chain has four Cold Chain Units operating at Hyderabad, Rai (Haryana) and Patalaganga (Maharashtra) and Bhubaneswar (Odisha). To manage the end-to-end supply chain of the Cold Chain operations, SBU-Cold Chain is also operating with 18 number of 4 MT capacity of reefer vehicles on pan India basis. All the reefer vehicles are enabled with GPS for 24x7 monitoring of its location and online temperatures.

#### **Opportunities and Threats:**

There is considerable gap between the demand and existing capacity of organised Cold Chain service providers in the market for the storage and distribution of various high valued products. This gap presents a significant opportunity for stakeholders associated with the industry. Increase in the number of segment of products opens multiple opportunities to the Company in segments like Quick Serve Restaurants (QSR), Pharmaceutical, etc. Increased demand in the real time temperature monitoring of products in the entire supply chain is opening multiple doors to temperature controlled vehicles as well.

Since the organised Cold Chain segment is highly capex intensive, the capacity utilisation along with right pricing model plays an important role in ensuring the profitability of the business. With organised players gradually entering this market segment, a high price war for ensuring capacity utilisation resulting in reduction of average selling price may pose as a threat to this industry. However, service excellence, maintaining high quality standards, value added service offerings and seamless distribution of products shall overrule the price war and help in customer retention.

**Segment-wise or product-wise performance:**

Storage business comprising the Cold Chain Units saw 32% increase in the sales YoY and the transportation segment including TCVs witnessed approximately 400% increase during the FY 2021-22.

**Outlook:**

With the improvement in the asset utilisation and the revenue SBU-Cold Chain is expecting to increase the sales and profitability across locations. With the closure of dynamic expansion plans initiated in multiple locations, it is expected to reach sales of Rs 100 crores by FY 2026 in the Cold Chain Unit and TCV segments put together.

**Risks and concerns:**

The Cold Chain Units are the major source of revenue, and it is highly volatile due to the seasonality which in certain cases lead to reduction in the utilisation of the infrastructure throughout the year. Reduction in the average sell price due to gradual increase in Cold chain players in different cities are inviting price war in certain markets. Attrition of Junior Officers in spite of efforts put in on-job training and the scarcity of trained manpower being a niche segment is a concern for SBU-Cold Chain.

**Internal control systems and their adequacy:**

SBU-Cold Chain is using the software products Helios and Pyxis as control in the inventory. Regular checks are also being done with the customer to ensure the stock accuracy. Financial records are maintained in SAP. There are periodic internal and external audits conducted for the SBU. Certification of BRC for warehouse and distribution is available in Hyderabad, Rai and Patalganga locations.

**Discussion on financial performance with respect to operational performance:**

Increase in the 25% utilisation YoY had supported the SBU to uplift the revenue to 32% increase YoY in Cold Chain Units. The transportation segment comprising TCVs have witnessed increase of approximately 400% during the FY 2021-22.

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

SBU-Cold Chain was formed in July 2021 which was initially a part of Logistics Infrastructure. New Head for the SBU was appointed at Mumbai office and recruitment for industry experts in the positions of Head of Marketing and Head of Operations was completed to bring in the capabilities for the new market / segment penetration. As on 31<sup>st</sup> March, 2022, the SBU had total manpower strength of 38 people other than contract workers.

**7. REFINERY & OIL FIELD SERVICES [ROFS]**

**Industry Structure and Developments:**

SBU-ROFS is engaged in the activity of Mechanized Oily Sludge Processing and Hydrocarbon Recovery from Crude Oil Storage Tanks and Lagoons. This activity pertaining to pollution prevention and oily waste recycling through recovery of hydrocarbons, is a niche segment in the oil & gas industry.

The market for Sludge Processing has been a niche segment with limited competition and presence of 2-3 players. Balmer Lawrie has been the pioneer in this field and has been the market leader in the Sludge Processing space over the years.

Presently, there is an influx of new competitors in the space with entry of 9-10 new companies. The increased competition has affected the profitability margins and equipment utilisation levels throughout the sector.

**Opportunities and Threats:**

SBU-ROFS continues to have the highest market share in the oily

sludge processing segment in India. However, the market share has decreased significantly in the recent year.

The SBU intends to leverage its experience in project execution and wide base of satisfied clientele to foray into allied service areas through diversifying its service offerings.

The main threats visualized by the SBU relate to subdued market demand and the entry of new players in the niche market. The twin challenges of reduced demand and increased competition may result in lesser order booking, equipment utilization and lower operating margins for SBU-ROFS.

Preference to MSME vendors also poses a significant challenge to the SBU with respect to booking of new orders. The increased competition in the sector is also resulting in lower margins across projects.

**Segment and Product wise Performance:**

Despite loss of substantial production time due to lockdown measures induced by COVID-19, SBU-ROFS was able to achieve the targeted equipment utilisation for the year.

The operational performance was more or less at par with our budgeted estimates mainly due to advance order booking for the SBU.

The new order booking was sluggish due to high competition in the market and expected profitability of newly booked orders is expected to be lower than historical trends.

**Outlook:**

The demand for sludge processing services is expected to be stagnant in the near term. SBU-ROFS aims to differentiate its offerings in Sludge Processing space through technological upgradation and incorporation of new technologies for reducing processing times and manual intervention in sludge processing.

Alternative processes such as chemical / robotic cleaning technology is also being explored for augmentation of service offerings.

**Risk & Concerns:**

Increased competition in the market can put downward pressure on market share as well as profit margins for the SBU. Other risks include adoption of modern technologies in refineries, which would reduce generation of oil sludge in the storage tanks, thereby limiting the need for sludge processing in the long run.

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

**Internal Control System and their Adequacy:**

Tank Bottom Sludge processing and Lagoon Sludge Processing are onsite operations and SBU-ROFS adheres to the best norms and HSE practices followed by oil refineries and oil exploration companies.

No near-miss incidents have been recorded by the SBU during the year. Periodic audits, risk mitigation measures and compliance with HSE guidelines ensure robustness of the internal control systems

SBU-ROFS is ISO 9001:2015 certified and the certificate is valid till March 2023.

**Discussion on Financial Performance with respect to Operational Performance:**

SBU-ROFS has been able to be near par with its business plan for FY 2021-22 with respect to turnover and profit.

The equipment utilisation levels have been able to meet the targeted levels after resumption of normal business activity from the second quarter onwards.

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

Industrial relations continued to be satisfactory during the FY under report. SBU-ROFS had a total of 20 employees as on 31<sup>st</sup> March 2022.

### KEY FINANCIAL RATIOS

Ratios	2021- 22	2020- 21
Debtors Turnover	6.98	5.67
Inventory Turnover	11.66	10.44
Interest Coverage Ratio	37.13	36.23
Current Ratio	2.35	2.27
Debt- Equity Ratio	0.00	0.00
Operating Profit Margin (%)	5.28%	5.65%
Net Profit Margin (%)	5.83%	7.31%
Return on Net Worth (In %)	9.35%	8.86%

**NOTE:** The increase in return on net worth is being attributable to the easing out effect of COVID-19 pandemic on the performance of SBU-Travel and Vacations which was severely affected in FY: 2020-21 due to the same.

### CAUTIONARY NOTE

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

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

The nature of opinions herein are such, that the same may not be disclosed, reproduced or used in whole or in part for any other purpose or furnished to any other person without the prior written permission of the Company.

## BUSINESS RESPONSIBILITY REPORT (2021-22)

### Introduction

Clause (f) of sub regulation (2) of Regulation 34 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandates that top 1000 companies listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have to prepare a 'Business Responsibility Report' (BRR) as part of the Annual Report.

The purpose of BRR is to capture organization's performance across the economic, environmental and social bottom line that is essentially non-financial in nature. Balmer Lawrie, featuring amongst the top 1000 listed entities has developed this Business Responsibility Report for FY 2021-22 as part of its Annual Report.

### Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L15492WB1924GOI004835
2	Name of the Company	Balmer Lawrie & Co. Ltd.
3	Registered address	21, Netaji Subhas Road, Kolkata – 700 001
4	Website	<a href="http://www.balmerlawrie.com">www.balmerlawrie.com</a>
5	E-mail id	<a href="mailto:adika.rs@balmerlawrie.com">adika.rs@balmerlawrie.com</a>
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<ul style="list-style-type: none"> <li>• Industrial Packaging</li> <li>• Greases &amp; Lubricants</li> <li>• Chemicals</li> <li>• Logistics Services</li> <li>• Logistics Infrastructure</li> <li>• Cold Chain</li> <li>• Travel &amp; Vacations</li> <li>• Refinery &amp; Oil Field Services</li> </ul>
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	<ul style="list-style-type: none"> <li>• Industrial Packaging (Steel Drums)</li> <li>• Greases &amp; Speciality Lubricants</li> <li>• Logistics Infrastructure &amp; Services</li> </ul>
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	The Company has pan India presence. For more details on plant locations, refer to section "Office and Plant Locations" of the Annual Report
10	Markets served by the Company – Local/State/National/International	The products and services offered by Balmer Lawrie have a national presence and some of the products are exported to countries including China, Kenya, Nepal, Sri Lanka, New Zealand, Qatar, Kuwait, etc.

### Section B: Financial Details of the Company

1	Paid up Capital (INR)	1,71,00,38,460
2	Total Turnover (INR)	21,04,84,97,000
3	Total profit after taxes (INR)	122,80,65,000
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	8.54% (includes CSR expenditure allocated for set off)
5	List of activities in which expenditure in 4 above has been incurred: -	The CSR amount is spent in following broad areas: <ul style="list-style-type: none"> <li>a) Health and Sanitation</li> <li>b) Education</li> <li>c) Skill Development</li> <li>d) Swachh Bharat Abhiyan</li> <li>e) Prevention of COVID-19</li> <li>f) Disaster Response</li> <li>g) Support for Elderly</li> </ul>

### Section C: Other Details

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

Yes, Balmer Lawrie has a Subsidiary Company, namely, Visakhapatnam Port Logistics Park Limited (VPLPL).

During FY 2021-22, Balmer Lawrie (UK) Ltd., a subsidiary of the Company outside the country was struck off with effect from 21<sup>st</sup> September, 2021 pursuant to the application for voluntary strike off and had consequently been dissolved with effect from 28<sup>th</sup> September, 2021 by the Registrar of Companies at United Kingdom.



In addition to the above, Balmer Lawrie has the following four joint ventures:

- a) Balmer Lawrie (UAE) LLC (BLUAE)
- b) AVI-OIL India Private Limited (AVI-OIL)
- c) Balmer Lawrie- Van Leer Limited (BLVL)
- d) PT Balmer Lawrie Indonesia (PTBLI)

Further, Transafe Services Limited (TSL), which was earlier a joint venture of the Company has ceased to be joint venture of the Company pursuant to the Order dated 9<sup>th</sup> April, 2021 by the Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble NCLT), thereby approving the Resolution Plan submitted by M/S OM Logistics Ltd., being the Resolution Applicant (RA). The approved resolution plan also stated about capital reduction of the existing share capital (both Equity and Preference) of TSL.

**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)**

Visakhapatnam Port Logistics Park Limited has mandated its suppliers and vendors to follow Balmer Lawrie's policy on prohibition of child labour, forced labour, discrimination, no drug or alcohol consumption policy, HSE & Sustainability policy and fraud prevention policy.

**3. Do any other entity/entities (e.g. 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%]**

There are well defined norms and policies in Balmer Lawrie for:

- a. Abstinance from child labour
- b. Forced labour
- c. No drug and alcohol policy
- d. Health & Safety compliance
- e. Non-discrimination

These norms and polices are to be adhered by all the contractors appointed by Balmer Lawrie. Also, Balmer Lawrie endeavours to include all entities across the value chain in its BR initiatives.

## Section D: BR Information

**1. Details of Director/Directors responsible for BR**

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

Principle No.	Policy/Policies	Director(s) Responsible*
Principle 1 (P1)	<ul style="list-style-type: none"> <li>• The Code of Conduct for Board Members of the Company and its Senior Management</li> <li>• Core Values</li> <li>• Fraud Prevention Policy</li> <li>• Whistle Blower Policy</li> <li>• Related Party Transactions Policy</li> <li>• Conduct, Discipline and Review Rules for Executives &amp; Non-Unionised Supervisors (NUS)</li> <li>• Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.</li> <li>• Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relative of Designated Persons</li> <li>• Policy on Blacklisting</li> </ul>	<ul style="list-style-type: none"> <li>• All Functional Directors &amp; Chief Vigilance Officer</li> </ul>
Principle 2 (P2)	<ul style="list-style-type: none"> <li>• HSE &amp; Sustainability Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Director (HR &amp; CA)</li> <li>• Director (Service Businesses)</li> <li>• Director (Manufacturing Businesses)</li> </ul>
Principle 3 (P3)	<ul style="list-style-type: none"> <li>• Prevention of Sexual Harassment Policy</li> <li>• Recruitment rules for executives and officers</li> <li>• Executive career progression rules</li> </ul>	<ul style="list-style-type: none"> <li>• Director (HR &amp; CA)</li> </ul>
Principle 4 (P4)	<ul style="list-style-type: none"> <li>• Corporate Social Rresponsibility and Sustainability Policy - 2021</li> </ul>	<ul style="list-style-type: none"> <li>• Director (HR &amp; CA)</li> </ul>
Principle 5 (P5)	<ul style="list-style-type: none"> <li>• Prevention of Sexual Harassment Policy</li> <li>• Recruitment rules for executives and officers</li> </ul>	<ul style="list-style-type: none"> <li>• Director (HR &amp; CA)</li> </ul>
Principle 6 (P6)	<ul style="list-style-type: none"> <li>• HSE &amp; Sustainability Policy</li> <li>• Corporate Social Rresponsibility and Sustainability Policy - 2021</li> </ul>	<ul style="list-style-type: none"> <li>• Director (HR &amp; CA)</li> <li>• Director (Service Businesses)</li> <li>• Director (Manufacturing Businesses)</li> </ul>

Principle No.	Policy/Policies	Director(s) Responsible*
Principle 7 (P7)	<ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Core Values</li> </ul>	<ul style="list-style-type: none"> <li>All Directors</li> </ul>
Principle 8 (P8)	<ul style="list-style-type: none"> <li>Corporate Social Responsibility and Sustainability Policy - 2021</li> </ul>	<ul style="list-style-type: none"> <li>Director (HR &amp; CA)</li> </ul>
Principle 9 (P9)	<ul style="list-style-type: none"> <li>HSE &amp; Sustainability Policy</li> </ul>	<ul style="list-style-type: none"> <li>Director (HR &amp; CA)</li> <li>Director (Service Businesses)</li> <li>Director (Manufacturing Businesses)</li> </ul>

\* The stipulated details of the concerned Directors is mentioned in the Corporate Governance Report.

**b) Details of the Business Responsibility Head**

No.	Particulars	Details
1	DIN Number	08053637
2	Name	Shri Adika Ratna Sekhar
3	Designation	Chairman & Managing Director and Director (HR & CA) - (Additional Charge)
4	Telephone number	033-22134629
5	e-mail id	<a href="mailto:adika.rs@balmerlawrie.com">adika.rs@balmerlawrie.com</a>

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the policies are aligned with United Nations Global Compact, GRI standards and International standards such as ISO 14001, ISO 45001. The policies also adhere to National Guidelines on responsible Business conduct issued by Ministry of Corporate Affairs, Government of India.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	The link to view the policy online is: <a href="http://www.balmerlawrie.com/static/Codes_&amp;_policies">http://www.balmerlawrie.com/static/Codes_&amp;_policies</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

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

CSR committee supervises the BR and meets bi-annually to assess the BR performance.

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

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

Sustainability Report: [https://www.balmerlawrie.com/static/sustainability\\_report](https://www.balmerlawrie.com/static/sustainability_report)

Business Responsibility Report: <https://www.balmerlawrie.com/pages/annualreport>

## Section E: Principle wise Performance

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

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

Yes, Balmer Lawrie has well placed Code of Conduct for ethical and transparent management of affairs of the Company. The Code of Conduct is laid out to sustain the following values:

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

The Code of Conduct is applicable to the Board Members of the Company and its Senior Management Personnel.

The Company has zero tolerance towards fraudulent conduct and has Fraud Prevention Policy in place for detection, reporting and prevention of fraud. This policy covers all types of fraud irrespective of their nature. The Fraud Prevention Policy is applicable to whole-time Directors and other stakeholders such as vendors, suppliers, contractors, service providers, consultants or any other external agency or person having business relationship and is associated with the Company.

Balmer Lawrie also has Whistle Blower Policy in place. Whistle Blower Policy provides employees a framework to report to the management instances of unethical behaviour, actual or suspected fraud.

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

During FY 2021-22, the Company received 970 Investor Complaints, out of which 968 complaints were resolved as on 31<sup>st</sup> March 2022 and 2 complaints were pending as on 31<sup>st</sup> March 2022. Since, the respective complainants have not made any communication post resolution, it is presumed that the same have been resolved to their satisfaction. In addition of the same, 2 complaints which were unresolved in the previous Financial Year, i.e, FY 2020-21 were also resolved during FY 2021-22.

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

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

Balmer Lawrie gives highest priority to conduct business in environmentally friendly manner with no social impact. Towards this end, various processes involved in manufacturing are modified, rejects are reutilized and other technological interventions are done in various business verticals.

- A. SBU- Industrial Packaging (IP):** IP - Silvassa installed two numbers of static charge discharging units. The static charges which are present in human body are sources of Fire Hazards. Thus, these charges need to be discharged before entering the hazardous area. The human body static dissipater completely discharges these static charges. IP - Silvassa has also started using LPG as fuel for its Paint Booth Ovens instead of HSD. IP - Silvassa has installed process safety interlock in Lacquer Baking Ovens. Whenever the Exhaust blower trips / turns off, the burner will switch off automatically. This ensures oven chamber and workmen safety in that zone. Further, there will not be unnecessary burning of fuel inside the chamber when exhaust system is in trip / off condition. IP - Taloja has started using environment friendly HMF paint process for shell area, which results in reduction of electricity usage also.
- B. SBU- Greases & Lubricants (G&L):** Our R&D team continuously works to identify raw materials, processes and technologies, which will have minimum impact on the environment. The Application Research Laboratory (ARL) of SBU- Greases & Lubricants has made significant progress in developing different types of biodegradable lubricants and environment friendly tribological solutions. Continuous trainings are being imparted to our workforce on the latest development in the lubricant industry.
- C. SBU- Chemicals –** At Manali, residual water is collected after washing the reactor after completion of a batch and then it is reused in the same process in the next batches. Process cycle time monitoring and reduction in process time have been successfully implemented at Chemicals - Manali. In process quality checking is done to reduce idle time.

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

- (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**
- (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Balmer Lawrie gives highest priority to protect the environment. Towards this end, there is a well detailed SOP in place about storage, collection and disposal of hazardous wastes. Recycling of water is being done in various plants to minimise water consumption. LED lights and energy efficient machines are installed in the plants and establishments to minimise our carbon footprint. Some of the projects undertaken by the Company in this regard are:

- SBU-Cold Chain – Hyderabad, as part of process improvement, is using one compressor instead of two for its Air Conditioning System thus, reducing electricity usage.
- SBU-Cold Chain – Hyderabad reduced electricity usage by 30% by implementing power reduction measures like timely calibration of sensors and chamber validations, proper door controls, decreased number of door operations and by imparting proper training to the ground level workmen. Chamber air leakages have been reduced.
- SBU-Greases & Lubricants (G&L) - Silvassa shifted manufacturing of some greases like Graphite Grease to the Bitumen Plant to reduce environmental pollution of the plant.
- SBU-G&L - Silvassa installed 5-star Air Conditioners (ACs) to reduce energy usage.
- Container Freight Station (CFS) - Kolkata installed five high efficiency Cassette type ACs, which helped in reducing electricity usage.
- At SBU-G&L – Kolkata, the Effluent Treatment Plant (ETP) treated water is reused for cooling tower, gardening, road cleaning and fire water. At the cooling tower and ETP, automatic level controllers are used for optimum water usage. Push type water tap installed at the HR and Administration building to reduce water usage.
- Significant number of transparent roof sheets have been fitted at the lube oil plant in SBU-G&L - Silvassa to infuse more sunlight in the plant during daytime.
- SBU-IP - Manali (Chennai) reduced the use of cleaning water at the rate of one litre per barrel saving 400 KL of water per year.
- The Manali complex installed Sewage Treatment Plant (STP) of 50 Cu M per day. Treated water is used in flush tank of toilet and for container washing and gardening.
- SBU-G&L – Manali (Chennai), SBU-IP – Taloja (Navi Mumbai), SBU-IP - Chittoor, SBU-G&L - Kolkata, SBU-IP - Manali replaced some conventional light fittings with LED light fittings thus, saving electrical energy.

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

Balmer Lawrie strives to be a sustainable Company and has procedures in place to ensure sustainable sourcing of material and services. During vendor selection process and material sourcing, Balmer Lawrie ensures that vendors abide by Health, Safety, Environment (HSE) and sustainable business practices in their organisation.

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

Balmer Lawrie firmly believes in inclusive growth and active involvement of local goods and service providers in its product value chain. The contracts for items such as consumables, stationeries and contract services such as maintenance, labour, etc. are awarded to vendors or suppliers situated within 50 km radius of the plant/unit location thereby ensuring engagement and contribution of the local and small producers. Further, Balmer Lawrie engages vendors employing people from local communities in majority of the manpower and service-related assignments to ensure inclusion of local communities surrounding plant/unit.

**5. Does the Company have 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?**

Balmer Lawrie has well defined SOP in place for handling and management of waste. It has proper and effective mechanism in place for waste collection, storage and disposal at all operational sites. Hazardous wastes are collected in accordance with laid down norms and procedures and further handed over to authorized hazardous waste handlers for further processing and safe disposal. Contaminated packaging materials, plastic waste, iron scrap and pellets are sent to approved recyclers for recycling. There are separate areas demarcated for storage of hazardous waste and non-hazardous waste in each plant/unit of SBU-G&L, SBU-IP, SBU-Chemicals, Container Freight Stations and Cold Chain Units of the Company.

**Principle 3: Businesses should promote the well-being of all employees**

**1. Please indicate the total number of employees**

Balmer Lawrie has 936 employees on permanent rolls as on 31<sup>st</sup> March 2022.

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

Balmer Lawrie has 536 employees on outsourced / direct contract / fixed term contract as on 31<sup>st</sup> March 2022.

**3. Please indicate the number of permanent women employees**

Balmer Lawrie has 101 permanent women employees as on 31<sup>st</sup> March 2022.

**4. Please indicate the number of permanent employees with disabilities**

Balmer Lawrie has 17 permanent employees with disabilities as on 31<sup>st</sup> March 2022.

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

Yes, Balmer Lawrie has Supervisor's Association for Non-Unionised supervisory staff and trade unions for unionised staff respectively.

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

47.22% of employees are members of recognized employee association (Supervisor's Association and Trade Unions).

**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.**

No complaints related to Child Labour, Forced Labour, involuntary Labour and sexual harassment were reported during FY 2021-22.

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

Continuous training and skill upgradation is an area where Balmer Lawrie gives special emphasis. Specialised trainings and skill enhancement programs are conducted throughout the year in the areas of working proficiency, international markets, company policies, sustainability, human rights, health & safety and career development so that the employees are well versed with the latest developments in the area of training and can adopt and implement the same in their job. During FY 2021-22, safety and skill up-gradation training sessions were organised for employees of the Company across grades. A snapshot of the same is given as under:

Employee category	% of Employees that were given safety training	% of Employees that were given skill upgradation training
Permanent Employees	63.24%	48.18%
Casual/Temporary/ Contractual Employees	69.90%	15.30%
Permanent Women Employees	20.00%	71.29%
Employees with Disabilities	17.64%	47.06%

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

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

Yes, Balmer Lawrie has mapped its internal and external stakeholders.

The stakeholders identified by Balmer Lawrie are as under:

**1. Internal**

Employees of the Company

**2. External**

• Customers of the Company

- Suppliers of the Company
- Local Communities
- Government of India

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

Yes, Balmer Lawrie has identified disadvantaged, vulnerable and marginalized stakeholders. These stakeholders majorly comprise of women, children, physically challenged persons and elderly people. Through its CSR policy, Balmer Lawrie works for such vulnerable groups through specific and precise need-based initiatives.

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

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

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

**Principle 5: Businesses should respect and promote human rights**

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

Balmer Lawrie has comprehensive human rights policy that covers the Company itself, joint ventures, suppliers, contractors etc. Balmer Lawrie firmly believes that all its employees and other stakeholders have human rights. Conduct of discipline & review rules for Executives & Officers have been well documented and implemented human rights that are applicable to all Executives / Officers of the Company. The Company has vigilance system in place to ensure that neither the Company nor any of its business partners indulge in any human rights violation. All employees whether regular or contractual, get conducive work environment that is free from any form of physical or psychological threat, abuse or sexual harassment.

The Company always adheres to minimum wages regulations and pay competitive wages that is among the best in the industry. All conventions with respect to employees adopted by the International Labour Organisation are being followed by Balmer Lawrie. Further, Balmer Lawrie is compliant with all regulatory provisions with respect to the employment in the organisation. Employee health & safety is top priority for the Company. An integrated Health & Safety Management System is established across the organisation.

Balmer Lawrie is one of the founder members of the UN Global Compact and it remains committed to further the principles enumerated under the Global Compact Programme.

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

No human rights violation complaints have been received by any stakeholder during the FY 2021-22.

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

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

Balmer Lawrie has well laid out HSE & Sustainability Policy that provides guidelines for safety in operations, preserving ecological balance, adhering to HSE norms while ensuring economic development of local communities associated with the Company. This policy extends to the contractors and suppliers of the Company. Further, the joint ventures of the Company also have their own HSE policy in line with their field of business.

**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.**

Balmer Lawrie has taken following initiatives:

- SBU-G&L - Silvassa, SBU-CFS - Kolkata, SBU-CFS - Navi Mumbai, SBU-CFS - Chennai, SBU-Cold Chain - Rai, SBU-Cold Chain - Patalganga, SBU-G&L - Kolkata, SBU-G&L - Manali, SBU-IP - Asaoti, SBU-IP - Vadodara, SBU-IP - Chittoor, SBU-IP - Navi Mumbai and other establishments across India planted large number of trees during the last financial year (2021-22). This creation of green cover aims to reduce the overall carbon footprint.
- Rain water harvesting is done at SBU-G&L - Silvassa and SBU-Cold Chain - Patalganga.

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

Yes, Balmer Lawrie conducts environmental impact assessments to identify and assess potential environmental risks that can have direct impact on its businesses. All plants and major establishments of the Company are ISO 14001 certified wherein aspect-impact assessment including the identification of potential environmental risks forms a part of the certification process.

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

Balmer Lawrie has not undertaken any project registered as a Clean Development Mechanism (CDM) project in FY 2021-22.

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

Yes, Balmer Lawrie has taken initiatives to incorporate renewable energy in its energy mix and adopt energy efficient technology in its processes. Some of these efforts are listed below:

- Different plants of Balmer Lawrie installed LED lights replacing conventional lights reducing electrical consumption.
- The Company has till date installed solar plants with a total capacity of 626 KWp in seven different sites at Asaoti, Navi Mumbai, Chennai, Patalganga, Rai and Silvassa (two locations). This helps Balmer Lawrie to offset approximately 950 tons of carbon dioxide per year from its manufacturing and cold chain operations.
- Single use plastic is banned in all plants of Balmer Lawrie.

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

Yes, the emissions / waste generated by the Company for FY 2021-22 are within permissible limits prescribed by CPCB/SPCB(s).

**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.**

There is no pending show cause or legal notice received from CPCB or SPCB as on 31<sup>st</sup> March 2022.

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

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

Yes, Balmer Lawrie is a member of many industry bodies, chambers and associations that represent the industry at various forums and events. The Company is member of the following associations:

- Confederation of Indian Industry
- The Bengal Chamber of Commerce and Industry
- Standing Conference of Public Enterprises
- Founder member of United Nations Global Compact
- Employees Federation of India
- Indian Chemical Council-WRO
- Petroleum Sports Promotion Board

**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)**

Balmer Lawrie advocates adoption of 'Sustainable Business Practices' through the various associations it is member of: in association with the CII, the Company works on promotion of improvement in health and safety standards in MSMEs.

**Principle 8: Businesses should support inclusive growth and equitable development**

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

As a responsible corporate citizen, Balmer Lawrie & Co. Ltd. focuses on ethical and transparent business practices, with inclusive community development lying at the core of its social initiatives. Inclusive growth and equitable development are underlying principles of the projects as mentioned below:

**Street Medicine Program- Calcutta Rescue (Taratala, Kolkata)**

The Company extended its support for running a street medicine program in Paharpur slum area, Kolkata. Doctors and healthcare providers were committed to visiting the slum community regularly even during the pandemic so that the community was not deprived of health care services. The mobile clinics have ensured services to the community. Adolescence girls, women and children were getting benefited from the project.

**One Teacher School (Friends of Tribal Society, S24 Parganas)**

The Company has extended its support for the betterment of the tribal children through the educational project called EKAL Vidyalayas. The project helps tribal children to get informal education. Various behavioural change activities helped students to perform well in Government Schools.

**Women Empowerment through livelihood project (Saksham Foundation, Navi Mumbai)**

The Company has adopted a project in Navi Mumbai for marginalised women. The primary objective of the project was to provide livelihood trainings which can help them to get employment in various sectors. Saksham Foundation, a local level NGO was the implementation partner of the project.

**Capacity Building on Health, Hygiene & Education Saily & Khadoli-DNH: Swadeep Shikshan Vikas Sanstha**

Capacity building on Health, Hygiene, and Education was one of the impactful projects adopted by the Company. The primary objective of the project is to make school children aware of personal health and hygiene practices. The activities of the project have enabled students and the community to adopt healthy lifestyle. Parents, teachers, and the workers associated with the AWCs are also involved in the community connect initiatives so that they can play an important role in ensuring better health and hygiene standards.

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

Balmer Lawrie & Co. Ltd. believes in inclusive and sustainable growth which led the Company to enter in a partnership with local authorities/NGOs to implement CSR programmes and projects. A few of the partners including local authorities/NGOs are listed below:

- Indian Institute of Cerebral Palsy (IICP)-Kolkata, West Bengal
- Ekal Vidyalayas, One Teacher Schools (OTS) by Friends of Tribal society- Kolkata, West Bengal
- Calcutta Rescue- Kolkata, West Bengal
- Saksham Foundation- Navi Mumbai, Maharashtra
- SDI- Bhubaneswar, Vishakhapatnam, Raebareli, Kochi, Ahmedabad, and Guwahati
- Helpage India - Chennai, Tamil Nadu
- Swadeep Shikshan Vikash Sanstha - Silvassa, Dadra & Nagar Haveli
- Manolayam Senior Citizens Home- Chennai, Tamil Nadu

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

Yes. It has been completed by Genesis Management & Market Research (P) Ltd.

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

A total sum of ₹ 1048.15 Lakhs was spent during FY 2021-22, towards various CSR activities undertaken in line with the key focus areas. Following is the breakup of the expenditure:

CSR Projects	Expenditure (Rs. in Lakhs)
Installation of 5 PSA Oxygen Plants in the Govt. Hospitals in Karnataka	629.23
Skill Development Institutes-Bhubaneswar, Visakhapatnam, Raebareli, Ahmadabad, Guwahati, Kochi	210.00
Procurement of Oxygen Cylinders and Concentrators	68.35
Swachh Bharat Abhiyan	32.91
Help Age India	25.00
Indian Institute of Cerebral Palsy	15.00
Friends of Tribal Society	10.00
Calcutta Rescue	5.47
Contribute to CM Relief Fund [Assam Flood]	10.00
Saksham Foundation	11.00
Manolayam Seniors Citizens Home	4.50
Administrative Overhead	24.85
Miscellaneous	1.84
<b>Total</b>	<b>1048.15</b>

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

Yes, Balmer Lawrie has many checks and measures in place to ensure that the community development initiatives are adopted successfully by the community. Need identification of the communities is done, projects are then designed and implemented in accordance with the identified needs. The projects are implemented in partnership with local authorities or an NGO to ensure maximum outreach, adoption, and inclusive growth. Local stakeholders are engaged actively from the planning stages of the programme to its completion. This essentially instils a sense of ownership and responsibility in local people. Additionally, the Company representatives regularly engage with the local communities to receive feedback about the effectiveness of the project and its impact on the communities.



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

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

Following are the complaints received and resolved across strategic business units for FY 2021-22.

SBU	Complaints received	Complaints resolved
Industrial Packaging	247	247
Grease & Lubricants	9	9
Travel Business	132	130
Logistics Infrastructure (CC)	0	0
Logistics Infrastructure (CFS)	0	0
Vacations	21	21
Chemicals Division	13	13
Logistics Services	0	0

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

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

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

For FY 2021-22, no case has been filed against Balmer Lawrie, relating to unfair trade practices, irresponsible advertising, or anti-competitive behaviour by any stakeholder.

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

Yes, Balmer Lawrie carries out customer surveys for its businesses. The surveys that are conducted focus on parameters such as service quality, consistency, delivery commitment, complaint resolution and quality of technical services.

## REPORT ON CORPORATE GOVERNANCE

[Forming part of the Board's Report for the year 2021-22]

### The Company's Philosophy on Code of Corporate Governance and Guidelines thereon

Your Company is committed to maintain sound Corporate Governance practices aimed at increasing value for its stakeholders. The Corporate Governance philosophy of the Company is based on the following five pillars:

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

### Board of Directors ("the Board")

#### Composition

Article 7A of the Articles of Association of the Company stipulates that so long as the Company remains a Government Company, the President of India shall be entitled to appoint one or more Directors [including Whole-time Director(s) by whatever name called] on the Board of the Company to hold office for such period and upon such terms and conditions as the President of India may from time to time decide.

As on 31<sup>st</sup> March 2022, the Board of the Company consisted of Ten (10) Directors under the following categories:

- Three (3) Functional / Executive / Whole-time Directors;
- Five (5) Independent / Non-executive Directors; (out of which one was Women Director);
- Two (2) Non-executive Government Nominee Directors (out of which one was Woman Director).

Owing to change in directorate thereafter, as on the date of signing of this report the Board of Directors of the Company consisted of eight Directors, the profile thereof is set out as under:

#### Shri Adika Ratna Sekhar (DIN 08053637)

#### Chairman & Managing Director, and Director (Human Resource & Corporate Affairs) - (additional Charge)

Shri Adika Ratna Sekhar was appointed as an Additional Director of the Company on 29<sup>th</sup> May, 2018 by the Board of Directors and he assumed office as Director (Human Resource & Corporate Affairs) based on the direction of the Ministry of Petroleum & Natural Gas (MoP&NG) vide its letter dated 2<sup>nd</sup> May, 2018 having reference no. CA-31024/2/2017-PNG(49). He was further appointed as the Whole-time Director (Human Resource and Corporate Affairs) at the 101<sup>st</sup> AGM of the Company held on 12<sup>th</sup> September, 2018.

Upon cessation of the directorship of Shri D. S. Selvam, erstwhile Director (Manufacturing Businesses), the additional charge of the post of Director (Manufacturing Businesses) was entrusted upon Shri Adika Ratna Sekhar by MoP&NG vide its letter bearing reference no. CA-31024/4/2019-PNG (32795) dated 19<sup>th</sup> November, 2020 for a period of three months with effect from 16<sup>th</sup> December, 2019 to 15<sup>th</sup> March, 2020. The said charge was further extended by MoP&NG vide its letters bearing reference no. CA-31024/4/2019-PNG (36036) dated 28<sup>th</sup> January, 2021, CA-31024/4/2019-PNG (32795) dated 6<sup>th</sup> April, 2021, CA-31024/4/2019-PNG (32795) dated 26<sup>th</sup> July, 2021 and CA-31024/4/2019-PNG (32795) dated 24<sup>th</sup> March, 2022.

MoP&NG vide its letter bearing reference no. CA-31024/1/2019-PNG (30909) dated 14<sup>th</sup> July, 2022, intimated the Company about appointment of Shri R. M. Uthayaraja as Director (Manufacturing Businesses). Hence, the additional charge of Director (Manufacturing Businesses) assigned to Shri Adika Ratna Sekhar, Chairman & Managing Director by the Administrative Ministry stood extinguished with effect from 14<sup>th</sup> July, 2022.

Earlier, owing to the cessation of directorship of Shri Prabal Basu, erstwhile Chairman & Managing Director, interim charge of Chairman & Managing Director was entrusted upon Shri Adika Ratna Sekhar from 1<sup>st</sup> November 2020 by the Administrative Ministry vide letter bearing reference no. CA-31024/4/2017-PNG (17426) dated 11<sup>th</sup> November 2020 and the same was converted to additional charge by MoP&NG vide its letter bearing reference No. CA-31024/1/2020-PNG (35641) dated 6<sup>th</sup> January, 2021 and was extended vide letter no. CA-31024/1/2020-PNG (35641) dated 20<sup>th</sup> April, 2021. Eventually, Shri Adika Ratna Sekhar was appointed as the Chairman & Managing Director of the Company with effect from 3<sup>rd</sup> November, 2021 till the date of his superannuation, i.e. 30<sup>th</sup> June, 2024, or until further orders of the Administrative Ministry, whichever is earlier pursuant to the letter bearing reference no. CA-31024/2/2020-PNG (36125) dated 3<sup>rd</sup> November, 2021 of MoP&NG.

Owing to his appointment as Chairman & Managing Director, Shri Adika Ratna Sekhar vacated his functional position as Director (Human Resource & Corporate Affairs) with effect from 3<sup>rd</sup> November, 2021. However, vide letter bearing reference no. CA-31024/5/2021-PNG (40259) dated 23<sup>rd</sup> November, 2021 by MoP&NG additional charge of the functional role of Director (Human Resource & Corporate Affairs) was entrusted upon Shri Adika Ratna Sekhar for a period of three months w.e.f. 3<sup>rd</sup> November, 2021 to 2<sup>nd</sup> February, 2022. The said additional charge was extended by MoP&NG vide letter bearing reference no. CA-31024/5/2021-PNG (40259) dated 4<sup>th</sup> February, 2022 for a period of six months with effect from 3<sup>rd</sup> February, 2022, or till the appointment of a regular incumbent to the post, or until further orders of the Administrative Ministry, whichever is the earliest.

Shri Adika Ratna Sekhar is a Master of Social Work with specialization in Personnel Management, Industrial Relations & Labour Welfare from Osmania University.

Shri Adika Ratna Sekhar has held leadership positions in the HR function in leading organisations pan India for over a decade viz. Tata Projects, Ramky Group and GMR Hyderabad International Airport Limited. He has significantly contributed in various organisations in products and services categories in both the Private and Public sectors. He commenced his career with Vijai Electricals Limited, Hyderabad, as a Management Trainee, thereafter served in Bharat Electronics Limited for 17 years across roles and locations, before moving to the private sector organisations like Federal Mogul Goetze Limited, Bilfinger Berger Constructions Private Limited holding key managerial and leadership positions.

Shri Adika Ratna Sekhar has over 34 years of experience in leading multicultural organizations in Human Resources Management, Industrial Relations and Administration with hands on experience in Talent Acquisition, Talent Management, Organisational Development, Learning & Development and Change Management initiatives, 360 Degree Leadership Development Program, Career and Performance Management systems and Performance counselling. He has led employee engagement programs, employee welfare and loyalty programs and trade union negotiations in progressive organisations of repute. A keen strategist with a flair for designing and implementing innovative strategies, he is credited for HR interventions in line with industry standards.

Shri Adika Ratna Sekhar also holds additional charge of Managing Director on the Board of Bienco Lawrie Limited, a CPSE under the Ministry of Petroleum and Natural Gas. He also holds position of non-executive Nominee Director on the Board of Balmer Lawrie - Van Leer Limited and Avi-Oil India Private Limited. He is also a member of Board of Commissioners of PT Balmer Lawrie Indonesia and also holds position of Vice Chairman as a Non-Executive Director on the Board of Balmer Lawrie (UAE) LLC– all being joint ventures of the Company.

### **Shri Adhip Nath Palchaudhuri (DIN: 08695322)**

#### **Director (Service Businesses)**

Shri Adhip Nath Palchaudhuri was appointed as an Additional Director of the Company on 4<sup>th</sup> February, 2020 by the Board of Directors, based on the direction of the MoP&NG. He assumed office as Director (Service Businesses) with effect from 1<sup>st</sup> March, 2020. He was further appointed as a Whole time Executive Director (Service Businesses) at the 103<sup>rd</sup> AGM of the Company held on 25<sup>th</sup> September, 2020 and re-appointed at the 104<sup>th</sup> AGM of the Company held on 28<sup>th</sup> September, 2021.

Shri Adhip Nath Palchaudhuri holds a B.E (E&C) degree from University of Roorkee (now IIT Roorkee) and a PGDM from IIM Lucknow. He has professional work experience of nearly 28 years.

Before his appointment as Director (Service Businesses) of the Company, he was holding the position of Head – Marketing for the SBU: Industrial Packaging of Balmer Lawrie & Co. Ltd. Earlier, he has held positions such as Head – Supply Chain Management for SBU: Industrial Packaging and AVP & Head – ERP & Systems within the Corporate IT department of Balmer Lawrie & Co. Ltd. Prior to joining Balmer Lawrie & Co. Ltd., Shri Adhip Nath Palchaudhuri had worked with a wide variety of organizations in the IT Services/Consulting field in India and abroad.

Shri Adhip Nath Palchaudhuri also holds position of Non-Executive Director in Visakhapatnam Port Logistics Park Limited which is a subsidiary of Balmer Lawrie & Co. Ltd.

### **Shri Sandip Das (DIN: 08217697)**

#### **Director (Finance) & Chief Financial Officer**

Shri Sandip Das was appointed as an Additional Director of the Company on 4<sup>th</sup> February, 2020 by the Board of Directors, based on the direction of the MoP&NG. He assumed office as Director (Finance) with effect from 1<sup>st</sup> May, 2020. He was further appointed as a Whole time Executive Director (Finance) at the 103<sup>rd</sup> AGM of the Company held on 25<sup>th</sup> September, 2020.

Shri Sandip Das is a Bachelor of Commerce from St. Xavier's College, Kolkata and a member of Institute of Chartered Accountants of India.

Shri Sandip Das has 33 years of experience. During his career in Balmer Lawrie & Co. Ltd., he has worked in core business areas in both manufacturing and services verticals at multiple level as well as in the corporate finance function.

Shri Sandip Das also holds position of Non-Executive Director in Balmer Lawrie Investments Limited, which is the holding Company of Balmer Lawrie & Co. Ltd. He is also a Non-Executive Director in Visakhapatnam Port Logistics Park Limited which is a Subsidiary of Balmer Lawrie & Co. Ltd. He also holds position of Non-Executive Nominee Director in Balmer Lawrie - Van Leer Limited and a Commissioner in PT Balmer Lawrie Indonesia, which are Joint Ventures of Balmer Lawrie & Co. Ltd.

### **Shri R. M. Uthayaraja (DIN 09678056)**

#### **Director (Manufacturing Businesses)**

Shri R.M. Uthayaraja was appointed as an Additional Director of the Company with effect from 14<sup>th</sup> July, 2022 based on the direction of the MoP&NG. He assumed the office as Director (Service Businesses) from the said date.

Shri. R. M. Uthayaraja completed his Chemical Engineering from M.S. Ramaiah Institute of Technology, Bangalore. He has over 31 years of rich experience in various industries like distillery, Agro Chemicals, Pharmaceuticals, Beverages, Leather Chemicals, and Industrial Packaging.

He had started his career with M/s. Trichy Distilleries & Chemicals Ltd., and worked in major Pharma Company M/s. Sun Pharmaceutical Industries Ltd.

A Technocrat by professional, Shri Uthayaraja, has worked in various parts of the country and for over a decade now has been holding business leadership roles. In his earlier assignment in Balmer Lawrie he was spearheading the business of Industrial Packaging & Chemicals as an Executive Director. He has also worked as Administration head for both Western and Southern regions.

### **Smt. Perin Devi (DIN 07145051)**

#### **Government Nominee Director**

Smt. Perin Devi was appointed as an additional Director under the category of Government Nominee Director on the Board of the Company on 28<sup>th</sup> July, 2018 based on direction received from the MoP&NG. She was further appointed as the

Government Nominee Director of the Company at the 101<sup>st</sup> AGM of the Company held on 12<sup>th</sup> September, 2018 for a period of 3 years with effect from 26<sup>th</sup> July, 2018 on co-terminus basis or until further orders from the Administrative Ministry, whichever is earlier. Upon completion of her tenure, Smt. Perin Devi had ceased to be the director of the Company with effect from 26<sup>th</sup> July, 2021.

Further vide Office Memorandum No. C-31033/1/2016-CA/FTS: 42979 dated 5<sup>th</sup> August, 2021 from the MoP&NG, Smt. Perin Devi, Joint Secretary (IFD), MoP&NG was nominated as Government Nominee Director on the Board of the Company with effect from 5<sup>th</sup> August, 2021 for a period of three years on co-terminus basis or until further orders of the Administrative Ministry, whichever is earlier.

Smt. Perin Devi was appointed as a Non-executive, Additional Director under the category of Government Nominee Director on the Board of the Company with effect from 6<sup>th</sup> August, 2021 based on the direction received from the MoP&NG. She was further appointed as the Government Nominee Director of the Company at the 104<sup>th</sup> AGM of the Company held on 28<sup>th</sup> September, 2021 for a period of three years from 5<sup>th</sup> August, 2021 on co-terminus basis or until further orders from the Administrative Ministry, whichever is earlier.

#### **Shri Kushagra Mittal (DIN: 09026246)**

##### **Government Nominee Director**

Shri Kushagra Mittal was appointed as a Non-executive, Additional Director under the category of Government Nominee Director on the Board of the Company with effect from 20<sup>th</sup> January, 2021 based on the direction received from the MoP&NG. He was further appointed as Government Nominee Director of the Company at the 104<sup>th</sup> AGM of the Company held on 28<sup>th</sup> September, 2021 for a period of three years from 10<sup>th</sup> December, 2020 on co-terminus basis or until further orders from the Administrative Ministry, whichever is earlier.

Shri Kushagra Mittal is a B.Tech. in Mechanical Engineering from MNNIT Allahabad. He has subsequently pursued Master's in Public Policy from IIM, Bangalore where he was awarded Director's Gold Medal for best overall performance.

Shri Kushagra Mittal is working as Deputy Secretary in the Ministry of Petroleum & Natural Gas. He is an IRTS Officer from Civil Services batch of 2010. He looks after the matters relating to Marketing division of the ministry and oversees Pricing Policy, LPG verticals there.

He has worked as Assistant Operations Manager, Divisional Operations Manager, Area Railway Manager and Senior Divisional Commercial Manager at various divisions of Western Railway, where he oversaw train operations and business development in addition to general administration.

Prior to joining Civil Services, he has worked with BHEL, a Maharatna CPSE thermal power plant design. He has keen interest in Business processes and financial management and is a Behavior Economics enthusiast.

#### **Dr. Vandana Minda Heda (DIN 09402294)**

##### **Independent Director**

Dr. Vandana Minda Heda was appointed as an Additional, Non-Executive Director in the category of Independent Director on the Board of the Company with effect from 26<sup>th</sup> November, 2021 to hold office up to the date of the 105<sup>th</sup> Annual General Meeting pursuant to the letter bearing no. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 received from the MoP&NG.

Dr. Vandana Minda Heda is a B.E(elect), MBA in finance and marketing (Gold Medallist) and after that she has completed her PhD (Thesis: A study of the Awareness, Prospects and challenges of Microfinance in Urban area of Kamrup (Metropolitan) district of Assam). One highlight of her academic path was that her Summer Project titled "Valuation of equity shares in Indian Capital Market...An Analytical study" was awarded the seventh best project in Finance Module in "Prerana". An international B-School Summer Project competition.

Her professional journey started by joining Standard Chartered Bank in 2001 working in various capacities including Head Cashier, to Teller Service Manager to Personal Financial Consultant and finally Manager Customer Relations. She excelled in every role and won accolades. After that she moved on to Kotak Mahindra Bank in 2006 as branch manager and continued for 7 years. She has been a very gripping and focussed Branch Manager whose contribution was well appreciated by the then country head. Not to mention that she won many best Branch and best Branch Manager Awards. One important highlight of her career being cracking an underground world nexus for which she was well appreciated by her seniors.

Since then, she has been engaged with various motivational training for corporates and teaching in the MBA department of Gauhati University.

Dr. Vandana is a trained Bharatanatyam dancer and loves to host interviews in her channel "Exploring The Gold Mine... A chat show".

#### **Shri Rajeev Kumar (DIN 09402066)**

##### **Independent Director**

Shri Rajeev Kumar was appointed as an Additional, Non-Executive Director in the category of Independent Director on the Board of the Company with effect from 26<sup>th</sup> November, 2021 to hold office up to the date of the 105<sup>th</sup> Annual General Meeting pursuant to the letter bearing no. CA-31033/2/2021-PNG (39069) dated 8<sup>th</sup> November, 2021 received from the MoP&NG.

Shri Rajeev Kumar has a Bachelor's Degree in Art from Mahatma Jyotiba Phule Rohilkhand University, Bareilly.

Shri Rajeev Kumar held the following positions:

- District In Charge of BJP Rampur from 2021 to Present.
- District President of BJP Bijnor from 2017 to 2020.
- General Secretary of BJP Bijnor from 2012 to 2016.
- Secretary of BJP Bijnor from 2002 to 2007.

Shri Rajeev Kumar is result-oriented, problem solver and visionary leader with strategic thinking skills and a creative mind.

The composition of Board of Directors as on 31<sup>st</sup> March, 2022 and the number of other Boards or Committees in which the Director is a member/chairperson are enumerated as follows:

Name, DIN, designation and category of the Director	Total No. of Directorship in other Companies	Names of the other Listed entities in which the director is a director and the category of directorship	Number of memberships in Committee(s) of other Companies	Number of post of Chairperson in Committee of other Companies
a	b	c	d	e
<b>Shri Adika Ratna Sekhar (DIN 08053637)</b> Chairman & Managing Director, Director (Manufacturing Businesses) –(Additional Charge) and Director (Human Resource and Corporate Affairs) – (Additional Charge) Executive Director	3	0	5	2
<b>Shri Adhip Nath Palchaudhuri (DIN 08695322)</b> Director (Service Businesses), Executive Director	1	0	1	0
<b>Shri Sandip Das (DIN 08217697)</b> Director (Finance) & Chief Financial Officer Executive Director	3	<b>Balmer Lawrie Investments Limited, Non-Executive Director (Ex-officio member)</b>	7	2
<b>Smt. Perin Devi (DIN 07145051)</b> Government Nominee Director Non-Executive Director	1	0	0	0
<b>Shri Kushagra Mittal (DIN 09026246)</b> Government Nominee Director Non-Executive Director	0	0	0	0
<b>Shri Arun Kumar (DIN 03570776)</b> Independent Director, Non-Executive Director	1	<b>Petronet LNG Limited, Independent Director</b>	2	1
<b>Shri Anil Kumar Upadhyay (DIN 07724769)</b> Independent Director, Non-Executive Director	0	0	0	0
<b>Shri Bhagawan Das Shivahare (DIN 08514350)</b> Independent Director, Non-Executive Director	0	0	0	0
<b>Dr. Vandana Minda Heda (DIN 09402294)</b> Independent Director Non-Executive Director	0	0	0	0
<b>Shri Rajeiv Kumar (DIN 09402066)</b> Independent Director Non-Executive Director	0	0	0	0

#### Brief profile and other details of the directors of the Company retiring by rotation and directors seeking appointment at the 105<sup>th</sup> Annual General Meeting (AGM)

The brief profile and other details of the Directors of the Company retiring by rotation and directors seeking appointment at the 105<sup>th</sup> AGM is attached to the Notice of the 105<sup>th</sup> AGM.

#### Attendance at the Board Meetings during the Financial Year 2021-22 and at the last AGM

The Board of Directors met eight (8) times during the Financial Year 2021-22. Attendance of the Directors at the Board meetings and at the last AGM held during the Financial Year 2021-22 is shown below:

Name of the Director	Board Meetings held during the Financial Year 2021-22								Attendance at last AGM
	12 <sup>th</sup> April 2021	25 <sup>th</sup> June 2021	20 <sup>th</sup> July 2021	6 <sup>th</sup> August 2021	3 <sup>rd</sup> September 2021	10 <sup>th</sup> November 2021	9 <sup>th</sup> February 2022	30 <sup>th</sup> March 2022	28 <sup>th</sup> September 2021
Shri Adika Ratna Sekhar	√	√	√	√	√	√	√	√	√
Shri Adhip Nath Palchaudhuri	√	√	√	√	√	√	√	√	√
Shri Sandip Das	√	√	√	√	√	√	√	√	√
Smt. Perin Devi	√	LOA	√	√ +	√	√	√	√	√
Shri Kushagra Mittal	√	√	√	LOA	√	√	√	√	√
Shri Arun Kumar	√	√	√	√	√	√	LOA	√	√
Shri Anil Kumar Upadhyay	√	√	√	√	√	√	√	√	√
Shri Bhagawan Das Shivahare	√	√	√	√	√	√	LOA	√	√
Dr. Vandana Minda Heda@	NA	NA	NA	NA	NA	NA	√	√	NA
Shri Rajeev Kumar#	NA	NA	NA	NA	NA	NA	√	√	NA
Shri Vikash Preetam*	√	√	√	NA	NA	NA	NA	NA	NA
Shri Arun Tandon\$	√	√	√	√	√	NA	NA	NA	NA

**Notes:**

- + Smt. Perin Devi attended the Board Meeting held on 6<sup>th</sup> August, 2021 as a Director post approval of the Resolution proposing her appointment as a Director of the Company.
- @ Dr. Vandana Minda Heda has been appointed as an Additional, Non-Executive Director in the designation of Independent Director with effect from 26<sup>th</sup> November, 2021.
- # Shri Rajeev Kumar has been appointed as an Additional, Non-Executive Director in the designation of Independent Director with effect from 26<sup>th</sup> November, 2021.
- \* Shri Vikash Preetam ceased to be an Independent Director of the Company with effect from 24<sup>th</sup> July, 2021.
- \$ Shri Arun Tandon ceased to be an Independent Director of the Company with effect from 12<sup>th</sup> September, 2021.

**Disclosure of relationships between directors inter-se:**

Directors do not have any relationship inter-se amongst them.

**Number of shares and convertible instruments held by Non-Executive Directors (as on 31<sup>st</sup> March, 2022):**

Name of Non-Executive Director	Number of shares held in the Company	Percentage of shares
Shri Arun Kumar	NIL	NIL
Shri Anil Kumar Upadhyay	NIL	NIL
Shri Bhagawan Das Shivahare	NIL	NIL
Smt. Perin Devi	NIL	NIL
Shri Kushagra Mittal	NIL	NIL
Dr. Vandana Minda Heda	NIL	NIL
Shri Rajeev Kumar	NIL	NIL

Note: The Company has not issued any convertible instruments.

**Web link where details of familiarization programmes imparted to Independent Director is disclosed:**

[https://www.balmerlawrie.com/admin/ls/dl\\_u/familiarisation-program-of-shri-arun-kumar.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/familiarisation-program-of-shri-arun-kumar.pdf)

[https://www.balmerlawrie.com/admin/ls/dl\\_u/familiarisation-program-of-shri-anil-kumar-upadhyay.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/familiarisation-program-of-shri-anil-kumar-upadhyay.pdf)

[https://www.balmerlawrie.com/admin/ls/dl\\_u/familiarisation-program-of-shri-b-d-shivahare.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/familiarisation-program-of-shri-b-d-shivahare.pdf)

[https://www.balmerlawrie.com/admin/ls/dl\\_u/familiarisation-details-Vandana-Minda-Heda.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/familiarisation-details-Vandana-Minda-Heda.pdf)

[https://www.balmerlawrie.com/admin/ls/dl\\_u/Familiarisation\\_details\\_Shri\\_Rajeev\\_Kumar.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/Familiarisation_details_Shri_Rajeev_Kumar.pdf)

**A chart or a matrix setting out the skills/expertise/competence of the Board of Directors**

Balmer Lawrie & Co. Ltd., being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) vests with the Administrative Ministry. The Independent Directors are selected by the Government of India from a mix of eminent personalities having requisite

expertise and experience in diverse fields. In view thereof, the Board of Directors are not in a position to identify list of core skills/expertise/competencies required by a Director in the context of the Company's business as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations").

## Confirmation regarding Independent Director(s)

As per Section 149(6) of the Companies Act, 2013 ("the Act") read with exemption granted to Government Companies vide Notification No. G.S.R. 463(E) dated 5<sup>th</sup> June, 2015 [as amended vide Notification No. G.S.R. 582(E) dated 13<sup>th</sup> June, 2017, Notification No. S.O. 802(E) dated 23<sup>rd</sup> February, 2018 and Notification No. G.S.R. 151(E) dated 2<sup>nd</sup> March, 2020], an Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise and experience. As already stated, all the Directors of the Company including Independent Directors are appointed by the Administrative Ministry. Further, the mechanism of evaluation of the Independent Directors as stated in paragraph VIII of Schedule IV to the Companies Act, 2013 does not apply in the case of a Government company, if the requirements in respect of matters specified in the said paragraph are specified by the concerned Ministries or Departments of the Central Government. Since, the evaluation of performance of all the Directors, including the Independent Directors is carried out by the Administrative Ministry and the Department of Public Enterprises, the Board of Directors is not in a position to give the confirmation as required under para C 2(i) of Schedule V to the Listing Regulations.

## Reasons of resignation of Independent Director(s)

During the year under review, none of the Independent Director(s) had resigned before the expiry of his/her tenure. However, Shri Vikash Preetam, Independent Director and Shri Arun Tandon, Independent Director had ceased to be the Directors of the Company due to completion of their period of nomination by the Administrative Ministry.

## COMMITTEES OF THE BOARD

### Audit Committee

#### Terms of Reference

The terms of reference of the Audit Committee were revised with effect from 9<sup>th</sup> February, 2022 to bring it in line with the amended Listing Regulations. The terms of reference (as amended) of the Audit Committee are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
  - iii. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
  - iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - v. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - vi. Changes, if any, in accounting policies and practices and reasons for the same;
    - vii. Major accounting entries involving estimates based on the exercise of judgement by management;
    - viii. Significant adjustments made in the financial statements arising out of audit findings;
    - ix. Compliance with Listing and other legal requirements relating to financial statements;
    - x. Disclosure of any Related Party Transactions;
    - xi. Modified opinion(s)/ qualification in the draft audit report;
- v. Examination of the financial statement and the auditor's report thereon;
  - vi. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - vii. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - viii. Monitoring the end-use of funds raised through public offers and related matters;
  - ix. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
  - x. Approval or any subsequent material modifications of Related Party Transactions, whether or not, the Company is a Party to the same. Provided that only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions and subsequent material modifications.
    - xa. granting omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the applicable provisions and carrying out the review thereof.
    - xb. Defining "material modifications" to Related Party Transactions.
  - xi. Scrutiny of inter-corporate loans and investments;
  - xii. Valuation of undertakings or assets of the Company, wherever it is necessary;
  - xiii. Evaluation of internal financial controls and risk management systems;
  - xiv. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- xv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xvi. Discussion with internal auditors and/or auditors any significant findings and follow-up thereon;
- xvii. Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xviii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern and to review the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources;
- xix. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- xx. To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xxi. To review the functioning of the whistle blower mechanism;
- xxii. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xxiii. Reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision (i.e., 1<sup>st</sup> April, 2019);
- xxiv. The Audit Committee shall mandatorily review the following information:
  - Management Discussion and Analysis of financial condition and results of operations;
  - Management letters/ letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
  - Statement of deviations:
    - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - b) Annual Statement of funds utilized for purposes other than those stated in the offer document /prospectus/ notice in terms of Regulation 32(7).
- xxv. To review the follow up action on the audit observations of the C&AG audit;
- xxvi. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament;
- xxvii. Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors;
- xxviii. Consider and review the following with the independent auditor and the management:
  - The adequacy of internal controls including computerized information system controls and security; and
  - Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
- xxix. Consider and review the following with the management, internal auditor and the independent auditor:
  - Significant findings during the year, including the status of previous audit recommendations.
  - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- xxx. Investigate into any matter in relation to the items specified in Section 177 of the Act or referred to it by the Board or pertaining to any activity within its terms of reference and to this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary, seek information from any employee in the matter and secure attendance of outsiders with relevant expertise, if considered necessary;
- xxxi. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxxii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **Composition**

During the Financial Year 2021-22, the Audit Committee was reconstituted. The Audit Committee, as on 31<sup>st</sup> March, 2022 consisted of four (4) members out of which three were Independent Directors and one was Whole-time Director. Shri Bhagawan Das Shivahare, Independent Director was the Chairperson of the Committee w.e.f. 20<sup>th</sup> October, 2020.

The composition of the Audit Committee as on 31<sup>st</sup> March, 2022 was as follows:



- i. Shri Bhagawan Das Shivahare, Independent Director-Chairperson
- ii. Shri Anil Kumar Upadhyay, Independent Director-Member
- iii. Dr. Vandana Minda Heda, Independent Director-Member
- iv. Shri Sandip Das, Director (Finance) & Chief Financial Officer-Member

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

The Audit Committee met 6 (six) times during the Financial Year 2021-22. The details regarding the attendance of the Members at the meetings are enumerated as follows:

Audit Committee Meetings held during the Financial Year 2021-22						
Name of the Members	24 <sup>th</sup> & 25 <sup>th</sup> June, 2021	13 <sup>th</sup> July, 2021	5 <sup>th</sup> & 6 <sup>th</sup> August, 2021	8 <sup>th</sup> & 10 <sup>th</sup> November, 2021	8 <sup>th</sup> & 9 <sup>th</sup> February, 2022	30 <sup>th</sup> March, 2022
Shri Bhagawan Das Shivahare	√	√	√	√	LOA	√
Shri Anil Kumar Upadhyay	√	√	√	√	√	√
Dr. Vandana Minda Heda <sup>§</sup>	NA	NA	NA	NA	√	√
Shri Sandip Das	√	√	√	√	√	√
Shri Vikash Preetam <sup>*</sup>	√	√	NA	NA	NA	NA
Shri Arun Tandon <sup>#</sup>	√	√	√	NA	NA	NA

#### Notes:

§ Dr. Vandana Minda Heda had been appointed as a Member of the Audit Committee with effect from 8<sup>th</sup> February, 2022.

\* Shri Vikash Preetam ceased to be an Independent Director of the Company with effect from 24<sup>th</sup> July, 2021. Therefore, his membership in the committee had also come to an end with effect from 24<sup>th</sup> July, 2021.

# Shri Arun Tandon ceased to be an Independent Director of the Company with effect from 12<sup>th</sup> September, 2021. Therefore, his membership in the committee had also come to an end with effect from 12<sup>th</sup> September, 2021.

#### Nomination & Remuneration Committee

The Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, all the Directors of the Company are appointed by the MoP&NG. The remuneration of the whole-time directors is fixed and their performance evaluation is carried out by the Government of India from time to time. Nevertheless, a "Remuneration Committee" had been constituted by the Board at its meeting held on 30<sup>th</sup> January, 2009. The said Committee was renamed as "Nomination & Remuneration Committee" on 6<sup>th</sup> February, 2015.

#### Terms of Reference

The terms of reference of the Nomination and Remuneration

Committee were revised with effect from 9<sup>th</sup> February, 2022 to bring it in line with the amended Listing Regulations. The terms of reference (as amended) of the Nomination and Remuneration Committee are as follows:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
  - ia. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - a. use the services of an external agencies, if required;
    - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - c. consider the time commitments of the candidates;
  - ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
  - iii. Devising a policy on Board Diversity;
  - iv. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
  - v. The Nomination and Remuneration Committee shall, while formulating the policy ensure that –
    - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
    - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and such policy shall be disclosed in the Board's Report.
  - vi. whether to extend or continue the term of appointment

of the independent director, on the basis of the report of performance evaluation of independent directors;

- vii. Recommending to the Board, all remuneration, in whatever form, payable to senior management.

**Note:** The Company being a Government Company, vide Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 as amended by Notification No. GSR 582(E) dated 13<sup>th</sup> June 2017 and notification No. GSR 802(E) dated 23<sup>rd</sup> February 2018, has been exempted from applicability of section 178(2), (3) and (4) of the Companies Act, 2013.

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

Further, as per Section 149(6) of the Companies Act, 2013, read with exemption granted to Government Companies vide Notification No, GSR 463(E) dated 5<sup>th</sup> June, 2015, an Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise, experience. In view of the above, the role of

The Nomination and Remuneration Committee held seven (7) meetings during the Financial Year 2021-2022, the details are provided hereunder:

Name of the Member	Nomination and Remuneration Committee Meetings held during the Financial Year 2021-22						
	11 <sup>th</sup> June, 2021	16 <sup>th</sup> June, 2021	5 <sup>th</sup> & 6 <sup>th</sup> August, 2021	8 <sup>th</sup> November, 2021	8 <sup>th</sup> February, 2022	9 <sup>th</sup> February, 2022	30 <sup>th</sup> March, 2022
Shri Arun Kumar	√	√	√	√	√	LOA	√
Shri Anil Kumar Upadhyay	√	√	√	√	√	√	√
Smt. Perin Devi *	√	√	NA	√	√	√	√
Shri Kushagra Mittal <sup>#</sup>	NA	NA	NA	√	√	√	√
Dr. Vandana Minda Heda <sup>§</sup>	NA	NA	NA	NA	√	√	√
Shri Rajeev Kumar <sup>%</sup>	NA	NA	NA	NA	√	√	√
Shri Vikash Preetam <sup>@</sup>	√	√	NA	NA	NA	NA	NA
Shri Arun Tandon <sup>^</sup>	√	√	√	NA	NA	NA	NA

**Notes:**

\* Smt. Perin Devi ceased to be Government Nominee Director of the Company with effect from 26<sup>th</sup> July, 2021. Therefore, her membership in the Committee had also come to an end w.e.f. 26<sup>th</sup> July, 2021. Further, pursuant to the nomination letter of Ministry of Petroleum & Natural Gas dated 5<sup>th</sup> August, 2021, Smt. Perin Devi had been appointed as a Non-Executive, Additional Director in the designation of Government Nominee Director of the Company with effect from 6<sup>th</sup> August, 2021 and was thereafter, also appointed as a Member of the Committee with effect from 6<sup>th</sup> August, 2021.

<sup>#</sup> Shri Kushagra Mittal had been appointed as a Member of the Committee with effect from 6<sup>th</sup> August, 2021.

<sup>§</sup> Dr. Vandana Minda Heda had been appointed as a Member of the Committee with effect from 29<sup>th</sup> December, 2021.

<sup>%</sup> Shri Rajeev Kumar had been appointed as a Member of the Committee with effect from 29<sup>th</sup> December, 2021.

<sup>@</sup> Shri Vikash Preetam had ceased to be an Independent Director of the Company with effect from 24<sup>th</sup> July, 2021. Therefore, his membership in the Committee had also come to an end with effect from 24<sup>th</sup> July, 2021.

<sup>^</sup> Shri Arun Tandon had ceased to be an Independent Director of the Company with effect from 12<sup>th</sup> September, 2021. Therefore, his chairpersonship and membership in the committee had also come to an end with effect from 12<sup>th</sup> September, 2021.

Nomination & Remuneration Committee, in context of directors, would be limited in the above-mentioned serial (i), (ia), (ii), (iii), (iv), (v) and (vii).

**Composition**

During the Financial Year the Committee was reconstituted and as on 31<sup>st</sup> March, 2022, the Nomination and Remuneration Committee consisted of six (6) members, out of which four were Independent Directors and two were Government Nominee Directors. Shri Anil Kumar Upadhyay, Independent Director was the Chairperson of the Committee. The Composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2022 was as follows:

- i. Shri Anil Kumar Upadhyay, Independent Director – Chairperson
- ii. Shri Arun Kumar, Independent Director – Member
- iii. Smt. Perin Devi, Government Nominee Director - Member
- iv. Shri Kushagra Mittal, Government Nominee Director – Member
- v. Dr. Vandana Minda Heda, Independent Director – Member
- vi. Shri Rajeev Kumar, Independent Director – Member

## Remuneration Policy

Balmer Lawrie (BL) is a CPSE under the administrative control of MOP&NG and for all purpose the Company follows the relevant and applicable guidelines. There are four levels under which the matter is dealt with, these are as under:

- a. For Members of the Board
- b. For Executives below the Board Level
- c. For non-Unionised Supervisors
- d. For unionised categories of employee through collective bargaining.

In matters related to the members of the Board, Executives below the Board Level, the Company is strictly governed by the guidelines of Department of Public Enterprises [DPE], issued from time to time and ensure compliance to all such guidelines and practices. The matter of finalization of remuneration, including wages and benefits of non-Unionised Supervisors is overseen by the Board of BL and it is essentially in line with DPE guidelines as applicable.

For the unionised category the matter is decided based on a 5 years settlement period where the terms are decided based on collective bargaining. In this case the basic premises that governs the boundaries/ guidelines of any agreement is as laid out by the DPE.

In all cases the Board of BL oversees all the above matters in the light of compliance of Government Guidelines and ethical Corporate Governance practices. Balmer Lawrie in fulfilling the statutory requirements has also a fully functional Nomination & Remuneration Committee.

## Performance evaluation criteria for Independent Directors on the Board.

As per Section 149(6) of the Companies Act, 2013, read with exemption granted to Government Companies vide Notification No, G.S.R. 463(E) dated 5<sup>th</sup> June, 2015 (as amended vide Notification No. G.S.R. 582(E) dated 13<sup>th</sup> June, 2017, Notification No, S.O. 802(E) dated 23<sup>rd</sup> February, 2018 and Notification No. G.S.R. 151(E) dated 2<sup>nd</sup> March, 2020), an Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise, experience.

In view of the above, the role of Nomination & Remuneration Committee, in context of Independent Directors is limited as the evaluation criteria and such evaluation of Directors is done by the MOP&NG, being the Administrative Ministry.

## Remuneration of Directors

- a) There was no pecuniary relationship or transaction of any Non-Executive Director vis-à-vis the Company except the sitting fees paid to the Independent Directors, which has been detailed in this report.
- b) By virtue of Article 7A of the Articles of Association of the Company, the President of India is entitled to decide the terms and conditions of appointment of the Directors. This, *inter alia*, includes determination of remuneration payable to the Whole-time Directors. Non-Executive Independent Directors are entitled to sitting fees for attending the Board and Committee Meetings. No sitting fee is paid to the Whole-time Directors / Government Nominee Directors for the Meetings of Board of Directors or Committees attended by them.

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**Disclosure with respect to remuneration of Directors**

- 1) Details of remuneration paid to Executive Directors (Whole time Directors) during Financial Year 2021-22 are enumerated hereunder: (All figures in Rs.)

	Shri Adika Ratna Sekhar (01/04/2021 -31/03/2022)	Shri Adhip Nath Palchaudhuri (01/04/2021 -31/03/2022)	Shri Sandip Das (01/04/2021 -31/03/2022)
Salary and allowances	29,84,769.13	33,12,363.00	42,01,103.50
Incentive / PRP	8,36,701.83	6,32,888.25	7,47,705.55
Provident Fund	317,790.00	2,96,463.00	3,67,809.00
NPS & SAF	2,38,350.00	2,22,355.00	2,75,861.00
Gratuity	39,095.00	42,375.00	71,468.00
Perquisites	9,54,864.00	3,61,027.28	3,43,207.62
<b>TOTAL</b>	<b>53,71,569.96</b>	<b>48,67,471.53</b>	<b>60,07,154.67</b>
Terms of appointment	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- CA-31024/4/2019-PNG (32795) dated 24 <sup>th</sup> March, 2022 CA-31024/ 5/ 2021 -PNG (40259) dated 4 <sup>th</sup> February, 2022 CA-31024/ 2/ 2020 -PNG (36125) dated 29 <sup>th</sup> December, 2021 CA-31024/ 5/ 2021 -PNG (40259) dated 23 <sup>rd</sup> November, 2021 CA-31024/ 2/ 2020 -PNG (36125) dated 3 <sup>rd</sup> November, 2021 CA-31024/ 4/ 2019 -PNG (32795) dated 26 <sup>th</sup> July, 2021 CA-31024/ 1/ 2020 -PNG (35641) dated 20 <sup>th</sup> April, 2021 CA-31024/ 4 /2019 – PNG (32795) dated 6 <sup>th</sup> April 2021 CA-31024/ 4 /2019 – PNG (36036) dated 28 <sup>th</sup> January, 2021. CA-31024 /1 / 2020 -PNG (35641) dated 6 <sup>th</sup> January 2021 CA-31024/ 4/ 2019 -PNG (32795) dated 19 <sup>th</sup> November, 2020 CA- 31024/ 4/ 2017 -PNG (17426) dated 11 <sup>th</sup> November 2020 CA-31024 /2/ 2017 -PNG (49) dated 4 <sup>th</sup> January, 2019 CA-31024 /2 / 2017-PNG (49) dated 2 <sup>nd</sup> May, 2018	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- CA-31024/1/2018-PNG (23808) dated 20 <sup>th</sup> December, 2019	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- CA-31024 /2/2018-PNG (25059) dated 20 <sup>th</sup> January, 2020

- 2) Details of remuneration paid to Non-Executive Directors during Financial Year 2021-22 are enumerated hereunder:

(All figures in Rs.)

Name of Director	Total Remuneration (Sitting fees Paid) (in Rs.)	Terms of Appointment
Smt. Perin Devi	0	C-31033/1/2016-CA/FTS:42979 dated 26 <sup>th</sup> July, 2018 and C-31033/1/2016-CA/FTS:42979 dated 5 <sup>th</sup> August, 2021
Shri Kushagra Mittal	0	C-31033/1/2016-CA/FTS:42979 dated 11 <sup>th</sup> December, 2020
Shri Arun Kumar	3,50,000	C-31033/2/2018-CA /PNG (25758) dated 12 <sup>th</sup> July, 2019 and his appointment letter dated 23 <sup>rd</sup> July, 2019
Shri Anil Kumar Upadhyay	4,45,000	C-31033/2/2018-CA /PNG (25758) dated 12 <sup>th</sup> July, 2019 and his appointment letter dated 23 <sup>rd</sup> July, 2019
Shri Bhagawan Das Shivahare	3,20,000	C-31033/2/2018-CA /PNG(25758) dated 12 <sup>th</sup> July, 2019 and his appointment letter dated 23 <sup>rd</sup> July, 2019
Dr. Vandana Minda Heda	1,15,000	CA-31033/2/2021- PNG(39069) dated 8 <sup>th</sup> November, 2021 and her appointment letter dated 1 <sup>st</sup> December, 2021
Shri Rajeev Kumar	85,000	CA-31033/2/2021- PNG(39069) dated 8 <sup>th</sup> November, 2021 and her appointment letter dated 1 <sup>st</sup> December, 2021
Shri Vikash Preetam	1,35,000	C-31033/2/2018-CA(22758) dated 24 <sup>th</sup> July, 2018 and his appointment letter dated 2 <sup>nd</sup> August, 2018
Shri Arun Tandon	2,05,000	C-31033/2/2018-CA (22758) dated 3 <sup>rd</sup> August, 2018 and his appointment letter dated 12 <sup>th</sup> September, 2018
<b>TOTAL</b>	<b>16,55,000</b>	

## Notes:

- 1) During the year no stock option was issued by the Company to any Director.
- 2) Performance linked incentives were paid to the whole-time directors as per DPE Guidelines.
- 3) There was no expenditure debited in the books of accounts, which represent personal expenditure of the Board of Directors and Top Management.
- 4) Severance fee and notice period for the whole-time directors is NIL and the terms of disengagement for the Independent Directors is governed by the terms of the respective appointment letter issued to them.

## Stakeholders' Relationship Committee

### Composition

During the Financial Year 2021-22 the Committee was reconstituted and as on 31<sup>st</sup> March 2022, Stakeholders' Relationship Committee was consisted of five members out of which one was Independent Director, two were Government Nominee Directors and two were Wholetime Directors. Stakeholders' Relationship Committee was headed by Shri Anil Kumar Upadhyay, Non-Executive - Independent Director. Shri Kaustav Sen, Senior Manager (Legal) is acting as the Compliance Officer.

The Composition of Stakeholders' Relationship Committee as on 31<sup>st</sup> March, 2022 was as follows:

1. Shri Anil Kumar Upadhyay, Non-Executive-Independent Director, Chairperson
2. Shri Adika Ratna Sekhar- Chairman & Managing Director, Director Manufacturing Businesses)-(Additional Charge) and Director (Human Resource and Corporate Affairs) – (Additional Charge) -Member
3. Shri Sandip Das, Director (Finance)- Member
4. Smt. Perin Devi, Government Nominee Director - Member
5. Shri Kushagra Mittal, Government Nominee Director – Member

The details with respect to shareholders' complaints during the Financial Year 2021-22 are as under:

Opening number of complaints as on 1 <sup>st</sup> April, 2021	Number of complaints received during the year	Number of complaints resolved during the year	Number of complaints not solved to the satisfaction of the shareholders during the year	Number of pending complaints as on 31 <sup>st</sup> March, 2022
2	970	970	0	2

## Risk Management Committee

### Terms of Reference

The terms of reference of the Risk Management Committee was last revised in November, 2021. The terms of reference (as amended) of the Risk Management Committee are as follows:

- i) Monitoring and reviewing of the risk management plan and such other functions as delegated by the Board from time to time;
- ii) Cyber security.
- iii) All proposals related to CAPEX estimated at Rs. 20/- Crores

& above needs to be placed to the Risk Management Committee (RMC) for their review & recommendation before placing it to the Board for necessary consideration & approval, respectively.

### Composition:

During the Financial Year 2021-22 the Committee was reconstituted and as on 31<sup>st</sup> March 2022, the Risk Management Committee consisted of three members out of which two were Independent Directors and one was Wholetime Director. The Committee was headed by Shri Arun Kumar, Independent Director.

The Composition of the Risk Management Committee as on 31<sup>st</sup> March, 2022 was as follows:

1. Shri Arun Kumar, Independent Director - Chairperson
2. Shri Bhagawan Das Shivahare, Independent Director - Member
3. Shri Adhip Nath Palchadhuri, Director (Service Businesses)-Member

The Committee held three meetings during the Financial Year 2021-2022, as detailed hereunder:

Name of the Member	Risk Management Committee Meetings held during the Financial Year 2021-22		
	5 <sup>th</sup> April, 2021	8 <sup>th</sup> November, 2021	30 <sup>th</sup> March, 2022
Shri Arun Kumar	√	√	√
Shri Bhagawan Das Shivahare	√	√	√
Shri Adhip Nath Palchadhuri	√	√	√
Shri Vikash Preetam*	√	NA	NA
Smt. Perin Devi §	√	NA	NA
Shri Arun Tandon#	√	NA	NA

### Notes:

\* Shri Vikash Preetam ceased to be an Independent Director of the Company with effect from 24<sup>th</sup> July, 2021. Therefore, his membership in the Committee had also come to an end with effect from 24<sup>th</sup> July, 2021.

§ Smt. Perin Devi ceased to be Government Nominee Director of the Company with effect from 26<sup>th</sup> July, 2021. Therefore, her membership in the Committee had also come to an end with effect from 26<sup>th</sup> July, 2021.

# Shri Arun Tandon ceased to be an Independent Director of the Company with effect from 12<sup>th</sup> September, 2021. Therefore, his membership in the committee had also come to an end with effect from 12<sup>th</sup> September, 2021.

**General Body Meetings**

Details of the last three Annual General Meeting(s) (AGM) held by the Company are enumerated as under:

DATE AND TIME	VENUE	MEETING NUMBER	DETAILS OF SPECIAL RESOLUTION PASSED IN THE AGM
28 <sup>th</sup> September, 2021 at 12:00 noon IST	It was held through Two-way Video Conferencing or Other Audio-Visual Means	104 <sup>th</sup> Annual General Meeting	No Special Resolution was passed at the 104 <sup>th</sup> Annual General Meeting.
25 <sup>th</sup> September, 2020 at 12:00 noon IST	It was held through Two-way Video Conferencing or Other Audio-Visual Means	103 <sup>rd</sup> Annual General Meeting	No Special Resolution was passed at the 103 <sup>rd</sup> Annual General Meeting.
18 <sup>th</sup> September, 2019 at 10.30 a.m.	Ghanshyam Das Birla Sabhagar 29, Ashutosh Choudhry Avenue, Kolkata – 700 019	102 <sup>nd</sup> Annual General Meeting	No Special Resolution was passed at the 102 <sup>nd</sup> Annual General Meeting.

**Special Resolutions passed in last year through Postal Ballot**

No special resolution was passed through postal ballot during the Financial Year 2021-22.

Special Resolution proposed to be conducted through Postal Ballot - NIL

**Means of Communication and Address for Correspondence**

The quarterly un-audited and audited annual financial results were submitted to the Stock Exchanges. Simultaneously, the said results were published in the newspapers and also uploaded on the website of the Company.

- Quarterly/half yearly/audited financial results, notices, etc., for the Financial Year 2021-22 were published in the following newspapers: Business Standard (English), and Business Standard (Hindi), Aajkaal (Bangla).
- The financial results of the Company is posted on the Company's website at <https://www.balmerlawrie.com/pages/financialresultsinvestor> and other corporate announcements issued by the Company and other shareholder's information is posted on the Company's website viz [https://www.balmerlawrie.com/static/corporate\\_announcements](https://www.balmerlawrie.com/static/corporate_announcements).
- The investors may lodge their complaint/grievance, if any, at [sen.k@balmerlawrie.com](mailto:sen.k@balmerlawrie.com).

• Official news releases are also available on the Company's website viz. [www.balmerlawrie.com](http://www.balmerlawrie.com).

• All communications relating to share registry matters may be addressed to:

<p><b>KFin Technologies Limited</b> (Formerly known as KFin Technologies Private Limited) 2/1, Russel Street, 4<sup>th</sup> Floor Kankaria ,Centre, Kolkata-700071 Tel: 033 6628 5900</p>	<p><b>Balmer Lawrie &amp; Co. Ltd.</b> Secretary's Department, 21, Netaji Subhas Road, Kolkata-700001 Phone-(033) 2222 5329 E-mail: <a href="mailto:sen.k@balmerlawrie.com">sen.k@balmerlawrie.com</a></p>
or	
<p><b>KFin Technologies Limited,</b> (Formerly known as KFin Technologies Private Limited) Selenium Building, Tower-B, Plot No. 31&amp;32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana-500032, Toll free No. 1800 3094 001, Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a></p>	

**General Shareholders' Information**

<b>Day, Date &amp; Time</b>	Tuesday, 27 <sup>th</sup> September, 2022 at 12 noon IST
<b>Venue</b>	As per the General Circular No. 20/2020 dated 5 <sup>th</sup> May, 2020, read with General Circular No. 02/2021 dated 13 <sup>th</sup> January, 2021, read with General Circular No. 19/2021 dated 8 <sup>th</sup> December, 2021, read with General Circular No. 21/2021 dated 14 <sup>th</sup> December, 2021 read with General Circular No. 2/2022 dated 5 <sup>th</sup> May, 2022 of the Ministry of Corporate Affairs ("MCA"), this AGM is scheduled to be held through VC/OAVM and voting for items to be transacted in the Notice to this AGM shall be only through remote electronic voting process or electronic voting during the AGM. Hence, physical attendance of the Members at the AGM venue is not required at the 105 <sup>th</sup> AGM. The detailed instructions for participation and voting at the meeting is available in the notice of the 105 <sup>th</sup> AGM.
<b>Financial Year</b>	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022
<b>Book Closure Dates</b>	Wednesday, 21 <sup>st</sup> September, 2022 to Tuesday, 27 <sup>th</sup> September, 2022 (both days inclusive).

**Dividend Payment Date**

Upon declaration at the ensuing 105<sup>th</sup> Annual General Meeting scheduled on Tuesday, 27<sup>th</sup> September 2022, dividend shall be paid to those shareholders (holding shares as on Tuesday, 20<sup>th</sup> September 2022, End of Day) within statutory period of 30 days from the date of declaration.

## Dividend History & Amount of Unclaimed Dividend to be transferred to the 'Investors Education and Protection Fund'

Date on which, Dividend declared / Financial year	Total amount of Dividend (in Rs.)	Amount of unclaimed Dividend as on 31 <sup>st</sup> March, 2022 (in Rs.)	% of unclaimed Dividend to total dividend	Due date of transfer to the "Investors' Education and Protection Fund" *	Type of Dividend
a	b	c	d	e	f
22 <sup>nd</sup> September, 2015 2014-15	51,30,11,538.00	38,50,182.00	0.75	29 <sup>th</sup> October, 2022	Final
22 <sup>nd</sup> September 2016 2015-16	57,00,12,820.00	47,90,700.00	0.84	29 <sup>th</sup> October, 2023	Final
14 <sup>th</sup> September 2017 2016-17	79,80,17,948.00	71,38,320.00	0.89	21 <sup>st</sup> October, 2024	Final
12 <sup>th</sup> September, 2018 2017-18	114,00,25,640.00	96,36,450.00	0.85	19 <sup>th</sup> October, 2025	Final
18 <sup>th</sup> September, 2019 2018-19	125,40,28,204.00	1,17,32,875.00	0.94	25 <sup>th</sup> October, 2026	Final
25 <sup>th</sup> September 2020 2019-2020	118,75,96,729.00 (net of TDS)	98,68,057.00	0.83	1 <sup>st</sup> November, 2027	Final
28 <sup>th</sup> September 2021 2020-2021	98,41,52,913.00 (net of TDS)	63,44,407.00	0.64	4 <sup>th</sup> November, 2028	Final

\* These are indicative dates. Actual Deposit dates may vary but would be as per Sections 124 & 125 of the Companies Act, 2013 read with the applicable Rule(s).

### Payment of Dividend through Electronic Mode

The electronic mode of payment brings in further efficiency and uniformity in credit of the dividend amount. The advantages of electronic mode over physical mode includes faster credit of remittance to beneficiary's account, wider coverage with no limitations of location in India.

Your Company accordingly encourages the use of electronic mode for payment of dividend, wherever available. To avail such facility the shareholders, are requested to fill-in the mandate form thereby providing the MICR and IFSC code number of their bank and branch along with the bank account number, relevant forms and other details to the Registrar & Share Transfer Agent of the Company, (where the shares are being held in physical form) or to their Depository Participant (where the shares are being held in dematerialized mode) on or before 20<sup>th</sup> September, 2022, (end of day).

This would facilitate prompt encashment of dividend proceeds and also enable the Company to reduce cost of dividend distribution.

### Stock Exchanges where the Equity Shares of the Company are listed and other related information

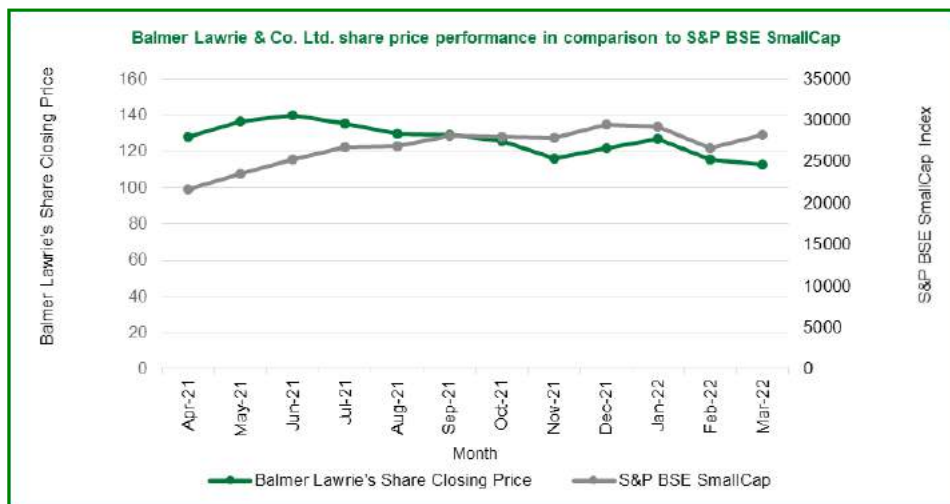
Name and address of the Stock Exchanges	Stock code	Confirmation about payment of Annual Listing Fee for FY 2022 - 23 to the Stock Exchanges
National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	BALMLAWRIE	YES
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001	523319	YES
ISIN Code of the Company	INE 164A01016	

### Market Price (High and Low) of the Company as per National Stock Exchange of India Limited and BSE Ltd. (for the period April 2021 to March 2022)

Month	National Stock Exchange of India Limited		BSE Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April-21	134.65	115.80	134.45	116.10
May-21	151.40	124.80	151.00	124.85
June-21	149.00	133.30	148.90	133.60
July-21	143.85	133.30	143.50	133.50
August-21	141.50	122.65	141.45	122.70

Month	National Stock Exchange of India Limited		BSE Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
September-21	144.95	125.05	145.50	125.00
October-21	137.45	124.55	137.35	124.40
November-21	131.80	114.50	131.60	114.00
December-21	123.40	112.25	123.45	111.75
January- 22	141.45	120.00	141.45	120.00
February-22	134.00	112.00	133.60	112.25
March-22	121.70	112.20	121.50	112.25

**Market Price of the Equity Shares of the Company vis-a-vis the S&P BSE SmallCap Index**



**Registrar & Share Transfer Agent**

**KFin Technologies Limited** (Formerly known as KFin Technologies Private Limited)

2/1, Russel Street, 4<sup>th</sup> Floor, Kankaria Centre, Kolkata-700071

Tel: 033 6628 5900

or

**KFin Technologies Limited**, (Formerly known as KFin Technologies Private Limited)

Selenium Building, Tower-B, Plot No. 31&32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana-500032,

Toll free No. 1800 3094 001,

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: [www.kfintech.com](http://www.kfintech.com)

**Share Transfer System**

The share transfer procedure and share registry matters are handled by KFin Technologies Limited, (Formerly known as KFin Technologies Private Limited), the Registrar and Share Transfer Agent of the Company. All activities in relation to share transfer facility for the Financial Year ended on 31<sup>st</sup> March, 2022 were maintained in compliance with applicable provisions of the Listing Regulations.

**Distribution of Shareholding as on 31<sup>st</sup> March, 2022 on the basis of category of Shareholders**

Category & Name of the shareholders	Total no. of Equity Shares	% (On the total Equity holding)
Promoters and Promoter Group	0	0
Mutual funds	4122	0.01
Financial Institutions / Banks	42,67,864	2.50
Foreign Portfolio Investors	27,94,686	1.63
Insurance Companies	0	0
Central Government / State Government(s) / President of India	42,210	0.02
Others	16,38,94,964	95.84
<b>Total</b>	<b>17,10,03,846</b>	<b>100.00</b>



## Distribution of Shareholding Report on the basis of number of Equity shares held as on 31<sup>st</sup> March, 2022:

Distribution of Shareholding							
SL. No.	Shareholding Range (in shares)			Number of Shareholders	% of Total Shareholders	Total number of shares of the Range	% of Total Share Capital
1	1	to	500	84,889	84.02	98,02,461	5.73
2	501	to	1000	7,811	7.73	59,20,198	3.46
3	1001	to	2000	4,249	4.21	60,98,154	3.57
4	2001	to	3000	1,490	1.47	37,72,133	2.21
5	3001	to	4000	594	0.59	20,98,402	1.23
6	4001	to	5000	515	0.51	23,70,856	1.39
7	5001	to	10000	862	0.85	61,59,695	3.60
8	10001	and	above	627	0.62	13,47,81,947	78.82
<b>TOTAL</b>				<b>1,01,037</b>	<b>100</b>	<b>17,10,03,846</b>	<b>100</b>

### Dematerialization of Shares and Liquidity

The Equity shares of your Company are to be traded compulsorily in dematerialized mode and are available for trading, with both the Depositories in India, i.e., National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

As on 31<sup>st</sup> March 2022, the distribution of Equity Shares held in physical and de-materialized mode, are produced below:

### Percentage of physical and dematerialized shares as on 31<sup>st</sup> March, 2022

Type of shares	%
Physical	1.13
Dematerialized	98.87
<b>TOTAL:</b>	<b>100.00</b>

Your Company, has paid the annual custody fee for the Financial Year 2021-22 to both the Depositories, i.e., NSDL & CDSL.

### Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

### Commodity Price Risk or Foreign Exchange Risk and hedging Activities

The details of Financial Risk Management including Foreign Currency Risk and the overall strategy to mitigate the same has been disclosed in Note No. 44 of the Standalone Financial Statements.

### Plant / Office Location:

Name of the business	Location	Location
<b>Greases &amp; Lubricants</b>	Manufacturing Units: Chennai Kolkata Silvassa	Marketing Offices: Bengaluru Chennai Coimbatore Hyderabad
	Application Research Laboratory: Kolkata	Jaipur Kolkata Mumbai New Delhi Pune Raipur Vadodara

Name of the business	Location	Location
<b>Industrial Packaging</b>	Manufacturing units: Asaoti Chennai Chittoor Navi Mumbai Silvassa Vadodara	SBU Office: Mumbai
	Stock Point Kolkata	Sales Office: New Delhi Vadodara
<b>Chemicals</b>	Manufacturing units: Chennai	SBU Office: Chennai
	Technical Service Centres: Ambur - Vaniyambadi Kanpur Kolkata Ranipet Chennai	Marketing office: Chennai  Product Development Centre: Chennai
<b>Logistics Services</b>	Regional Head Office: Mumbai New Delhi Bengaluru	Airport Office: Kolkata New Delhi Bangalore Hyderabad
	Branch & SBU Office: Kolkata  Branch Office: Visakhapatnam Ahmedabad Pune Kanpur Gwalior Kochi Thiruvananthapuram Chennai Tuticorin Coimbatore Hyderabad	Port Office: Navi Mumbai  Home Office: Goa
<b>Cold Chain</b>	Temperature Controlled Warehouse Navi Mumbai Rai- Haryana Medchal-Village- Telangana Odisha- Khorda	SBU Office: Mumbai
<b>Logistics Infrastructure</b>	Container Freight Station: Chennai Kolkata Navi Mumbai	Warehousing & Distribution: Coimbatore Kolkata- Hide Road Complex, Kolkata- Sonapur
		Integrated Check Post Jogbani- Bihar
	Multimodal Logistics Hub Visakhapatnam	Central Warehousing Andhra Pradesh Med Tech Zone (AMTZ) Visakhapatnam
<b>Travel</b>	Ahmedabad Bengaluru Bhubaneswar Chennai Hyderabad Kanpur Kolkata	Lucknow Mumbai New Delhi Port Blair Thiruvananthapuram Vadodara Visakhapatnam
<b>Vacations</b>	Chennai Delhi Hyderabad	Kolkata Mumbai
<b>Refinery &amp; Oilfield Services</b>	Kolkata	

**List of all credit ratings obtained by the Company along with any revisions**

The long-term credit rating of the Company reaffirmed by ICRA Limited as on 17<sup>th</sup> May, 2022 is [ICRA] AA+(Stable) and the short-term credit rating for the Company is [ICRA] A1+.

The credit rating for the Long Term / Short Term Bank Facilities reaffirmed by CARE on 30<sup>th</sup> December, 2021 is “CARE AA+; Stable / CARE A1+ (Double A Plus; Outlook: Stable/A One Plus)” and the credit rating for the short-term bank facilities is “CARE A1+ (A One Plus)”.

**Disclosures**

**a) Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of listed entity at large.**

There were no materially significant Related Party Transactions. None of the RPT had any conflict with interests of the Company.

All the RPT(s) have been detailed in Note no. 42.19 of the Standalone Financial Statement. The Company had formulated and adopted Related Party Transactions Policy in the year, 2015 which had last been amended at the Board Meeting held on 9<sup>th</sup> February, 2022 pursuant to amendment in the Listing Regulations and the same has been uploaded on the website of the Company at

[https://www.balmerlawrie.com/admins/dl\\_u/Related-Party-Transactions-Policy-01-04-2022.pdf](https://www.balmerlawrie.com/admins/dl_u/Related-Party-Transactions-Policy-01-04-2022.pdf)

**b) Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets/ any Guidelines issued by the Government, during the last three years:**

Sr. No.	Action taken by	Quarter ended	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.
1	BSE Ltd.	31 <sup>st</sup> March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 31 <sup>st</sup> March, 2019.	Fine of Rs. 5,31,000 was imposed by BSE Ltd. The exchange waived the fine vide e-mail dated 24 <sup>th</sup> September, 2020.
2	National Stock Exchange of India Ltd.	31 <sup>st</sup> March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 31 <sup>st</sup> March, 2019.	Fine of Rs. 5,31,000 was imposed by National Stock Exchange of India Ltd. The exchange waived the fine vide Letter dated 18 <sup>th</sup> March, 2020.
3	BSE Ltd.	30 <sup>th</sup> June, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 30 <sup>th</sup> June, 2019.	Fine of Rs. 5,36,900 was imposed by BSE Ltd. The exchange waived the fine vide e-mail dated 24 <sup>th</sup> September, 2020.
4	National Stock Exchange of India Ltd.	30 <sup>th</sup> June, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 30 <sup>th</sup> June, 2019.	Fine of Rs. 5,36,900 was imposed by National Stock Exchange of India Ltd. The exchange waived the fine vide Letter dated 18 <sup>th</sup> March, 2020.
5	BSE Ltd.	30 <sup>th</sup> September, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 30 <sup>th</sup> September, 2019.	Fine of Rs. 1,00,300 was imposed by BSE Ltd. The exchange waived the fine vide e-mail dated 24 <sup>th</sup> September, 2020
6	National Stock Exchange of India Ltd.	30 <sup>th</sup> September, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 30 <sup>th</sup> September, 2019.	Fine of Rs. 1,00,300 was imposed by National Stock Exchange of India Ltd. The exchange waived the fine vide Letter dated 18 <sup>th</sup> March, 2020.
7	BSE Limited	30 <sup>th</sup> September, 2020	Non-compliance of Regulation 17 of the SEBI (LODR) Regulations, 2015.	The exchange waived the fine vide Letter dated 19 <sup>th</sup> April, 2021.
8	BSE Limited	31 <sup>st</sup> December, 2020	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 31 <sup>st</sup> December, 2020.	Fine of Rs. 5,42,800 (inclusive of GST) was imposed by BSE Ltd.
9	National Stock Exchange of India Limited	31 <sup>st</sup> December, 2020	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended 31 <sup>st</sup> December, 2020.	Fine of Rs. 5,42,800 (inclusive of GST) was imposed by National Stock Exchange of India Limited. The exchange waived the fine vide Letter dated 12 <sup>th</sup> July, 2022.
10	BSE Limited	31 <sup>st</sup> March, 2021	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board including failure to appoint woman director for the quarter ended 31 <sup>st</sup> March, 2021.	Fine of Rs. 5,31,000 (inclusive of GST) was imposed by BSE Ltd.
11	National Stock Exchange of India Limited	31 <sup>st</sup> March, 2021	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015.	Fine of Rs. 5,31,000 (inclusive of GST) was imposed by National Stock Exchange of India Limited. The exchange waived the fine vide Letter dated 12 <sup>th</sup> July, 2022.

Sr. No.	Action taken by	Quarter ended	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.
12	BSE Limited	30 <sup>th</sup> June, 2021	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director for the quarter ended 30 <sup>th</sup> June, 2021.	Fine of Rs. 5,36,900 (inclusive of GST) was imposed by BSE Ltd.
13	National Stock Exchange of India Limited	30 <sup>th</sup> June, 2021	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015.	Fine of Rs. 5,36,900 (inclusive of GST) was imposed by National Stock Exchange of India Limited. The exchange waived the fine vide Letter dated 12 <sup>th</sup> July, 2022.
14	BSE Limited	30 <sup>th</sup> September, 2021	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director for the quarter ended 30 <sup>th</sup> September, 2021.	Fine of Rs. 5,42,800 (inclusive of GST) was imposed by BSE Ltd.
15	National Stock Exchange of India Limited	30 <sup>th</sup> September, 2021	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015.	Fine of Rs. 5,42,800 (inclusive of GST) was imposed by National Stock Exchange of India Limited. The exchange waived the fine vide Letter dated 12 <sup>th</sup> July, 2022.
16	BSE Limited	31 <sup>st</sup> December, 2021	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director for the quarter ended 31 <sup>st</sup> December, 2021.	Fine of Rs. 3,30,400 (inclusive of GST) was imposed by BSE Ltd.
17	National Stock Exchange of India Limited	31 <sup>st</sup> December, 2021	Non Compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015.	Fine of Rs. 3,30,400 (inclusive of GST) was imposed by National Stock Exchange of India Limited. The exchange waived the fine vide Letter dated 12 <sup>th</sup> July, 2022.

The Company has filed applications before the respective Stock Exchanges for waiver of fines. While the response of Stock Exchanges has been received in some cases, thereby, resulting in waiver of fines, however, in other cases, the response of the Stock Exchanges in this regard is awaited.

c) The Company introduced the 'Whistle Blower Policy' with effect from January, 2010 to promote and encourage transparency in the Company and protects employees against victimization. The Chairperson of the Audit Committee is the Ombudsperson under the Policy. The Policy is posted on the Company's website viz. [https://www.balmerlawrie.com/admin/ls/dl\\_u/Whistle\\_Blower\\_Policy.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/Whistle_Blower_Policy.pdf)

It is hereby affirmed that no personnel has been denied access to the Audit Committee during the year.

d) On and from 9<sup>th</sup> April, 2010, the Company also introduced a 'Fraud Prevention Policy' with the object of promoting high standards of professionalism, honesty, integrity and ethical behaviour. This policy meets the requirements laid down in the Guidelines on Corporate Governance for Public Sector Enterprises, 2010.

e) All Board Members and Senior Management have affirmed compliance as per Regulation 26(3) of the Listing Regulations. The Company has a Code of Conduct for its Board Members and Senior Management Personnel, which is in operation since 2006. The Code had been reviewed and revised by the Board in the Financial Year 2011-12. Declaration to this effect has been set out in the Annual Report as **Annexure 4**.

f) The Company has with effect from 15<sup>th</sup> May, 2015, introduced "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to Regulate, Monitor and Report Trading by Insider" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has been amended w.e.f. 1<sup>st</sup> April, 2019 to bring them in line with the amendments

in SEBI (Prohibition of Insider trading) Regulations, 2015 and the same is now called "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relative of Designated Persons".

g) Pursuant to the Listing Regulations, the Company has obtained Certificate from the Statutory Auditors on compliance of the conditions of Corporate Governance. A copy of such Certificate is attached as **Annexure 5**.

h) The Company has prepared the financial statements to comply with all material aspects with prescribed Accounting Standards.

i) The CEO (Chairman & Managing Director) and the Chief Financial Officer have jointly certified to the Board with regard to reviewing the Financial Statements, Cash Flow Statements and effectiveness of internal control and other matters as required under the Listing Regulations for the Financial Year ended 31<sup>st</sup> March, 2022.

j) The Company had updated its Enterprise Risk Management (ERM) Policy in August 2017 to meet the specific requirements of the Companies Act, 2013 and the Listing Regulations. The said policy is posted on the Company's website viz [https://www.balmerlawrie.com/admin/ls/dl\\_u/Enterprise-Risk-Management-Policy.pdf](https://www.balmerlawrie.com/admin/ls/dl_u/Enterprise-Risk-Management-Policy.pdf)

The ERM Policy had been amended by the Board of Directors on 26<sup>th</sup> March, 2021 and 10<sup>th</sup> November, 2021.

k) Pursuant to Schedule V of the Listing Regulations, the Company has obtained a certificate from Ms. Sumana Subhash Mitra, Company Secretary in Practice and a partner of M/s. T. Chatterjee & Associates, Practicing Company Secretaries confirming that none of the directors on the Board of the Company as on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/ Ministry of Corporate Affairs or any such Authority attached as **Annexure 6**.

l) There was no such instance when the Board had not accepted any recommendation of any Committee in the Financial Year 2021-22.

m) Web link where policy for determining 'material subsidiaries' is disclosed:

[https://www.balmerlawrie.com/admins/dl\\_u/Policy\\_on\\_Determining\\_Material\\_Subsidiary-BL.pdf](https://www.balmerlawrie.com/admins/dl_u/Policy_on_Determining_Material_Subsidiary-BL.pdf)

n) The Company adopted Dividend Distribution Policy in the year 2016, the web link of the said policy is:

[https://www.balmerlawrie.com/admins/dl\\_u/DIVIDEND\\_DISTRIBUTION\\_POLICY.pdf](https://www.balmerlawrie.com/admins/dl_u/DIVIDEND_DISTRIBUTION_POLICY.pdf)

o) Disclosure of commodity price risks and hedging activities as per Schedule V of the Listing Regulations.

The details of Foreign Currency Risk and other risks have been disclosed in Note No. 44 of the Standalone Financial Statements.

p) The details of total fees paid for all services to the Statutory Auditors by the Company and its subsidiaries, on a consolidated basis, and all entities in the network firm/network entity of which the Statutory Auditor is a part, for all services rendered by them is disclosed in Note No. 36 of the Standalone and Consolidated financial statements.

q) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the Financial Year 2021-22	NIL
Number of complaints disposed off during the Financial Year 2021-22	1
Number of complaints pending as on the end of the Financial Year 2021-22	NIL

r) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'- Nil

s) Disclosures with respect to demat suspense account/unclaimed suspense account: Not applicable.

**Other Disclosure**

i) Details of Presidential directives issued by the Central Government and their compliance during the year and the last three years: Nil

ii) Items of expenditure debited in the books of accounts, which are not for the purpose of the business: Nil

iii) Expenses incurred which are personal in nature and incurred for the Board of Directors and top management: Nil

iv) Details of administrative and office expenditure as a percentage of total expenses vis-à-vis financial expenses and reasons for increase:

(a) Admin expenses as % of Total expenses  
 FY 2021-22 - 11.38 %  
 FY 2020-21 - 12.54 %

There has been no increase in the administrative expenses as percentage of Total expenses.

(b) Finance expense as % of Total expenses

FY 2021-22 - 0.30%

FY 2020-21 - 0.37%

There has been no increase in the finance expenses as percentage of Total expenses.

**Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

All mandatory requirements of applicable provisions of the Listing Regulations, have been complied with except to the extent of composition of the Board of Directors (for a part of the Financial Year), which was for the reasons beyond the control of the Company. As far as compliance of non-mandatory requirements are concerned, the Company has not adopted the non-mandatory requirement except that Internal Auditor of the Company reports to the Audit Committee and that the Statutory Auditor's Report does not contain any modified opinion. The applicable Non-Mandatory requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

**Confirmation of compliance as per the Listing Regulations and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010:**

It is hereby confirmed that the Company has complied with the requirements under Regulations 17 to 27, Regulation 46 and Sub-para 2 to 10 of Para C to Schedule V of the Listing Regulations except to the extent stated above, for the reasons beyond the control of the Company. Further, the Statutory Auditors' certificate, certifying that the Company has complied with the conditions of Corporate Governance, is annexed to the Boards' Report.

It is further confirmed that the Company has complied with the requirements of Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 except to the extent stated above for the reasons beyond the control of the Company.

For and on behalf of the Board

**Balmer Lawrie & Co. Ltd.**

**Adika Ratna Sekhar**  
**Chairman & Managing**  
**Director and Director**  
**(Human Resource &**  
**Corporate Affairs) - (Additional Charge)**  
**(DIN 08053637)**

**Adhip Nath Palchaudhuri**  
**Director (Service Businesses)**  
**(DIN 08695322)**

Date: 5<sup>th</sup> August, 2022

Registered Office:  
 21, N.S. Road  
 Kolkata - 700001

**Declaration by Chairman & Managing Director (CEO) as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010**

To  
The Members,  
Balmer Lawrie & Co. Ltd.

Sub: **Declaration regarding Compliance of the Code of Conduct for the Board Members and Designated Personnel of Balmer Lawrie & Co. Ltd.**

I, **Adika Ratna Sekhar**, Chairman & Managing Director, Director (Manufacturing Businesses)-(Additional Charge) and Director (Human Resource & Corporate Affairs) - (Additional Charge) of Balmer Lawrie & Co. Ltd. hereby declare that all the members of Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board Members and Designated Personnel of Balmer Lawrie & Co. Ltd. for the Financial Year ended on 31<sup>st</sup> March, 2022.

For **Balmer Lawrie & Co. Ltd.**

**Adika Ratna Sekhar**  
**Chairman & Managing Director and**  
**Director (Manufacturing Businesses) - (Additional Charge) and**  
**Director (Human Resource & Corporate Affairs) - (Additional Charge)**

Place: Kolkata  
Date: 27<sup>th</sup> May, 2022

## AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

### Balmer Lawrie and Company Limited

1. This certificate is issued in accordance with the terms of our engagement letter with Balmer Lawrie & Company Limited (the Company).
2. This Certificate is required by the Company to be annexed with the Directors' Report, in terms of Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), for further being sent to the members of the Company.
3. We have examined the compliance of conditions of Corporate Governance by the Company, for the financial year ended on 31<sup>st</sup> March, 2022, as stipulated in:
  - i) Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the aforesaid Listing Regulations issued by the SEBI and
  - ii) The Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 (the "Guidelines") as issued by the Department of Public Enterprises (DPE) of Ministry of Heavy Industries and Public Enterprises, Government of India.

### Management's Responsibility

4. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations issued by the SEBI as well as the Guidelines issued by the DPE.

### Auditor's Responsibility

5. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us, we certify that the Company, has in all material respects, complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations issued by the SEBI for the year ended 31<sup>st</sup> March, 2022 as well as Guidelines issued by the DPE *except, the composition of Board of Directors as follows:*
  - a. *The Board did not comprise of an Independent Woman Director during 01.04.2021 to 25.11.2021 as prescribed under Regulation 17(1)(a) of the Listing Regulations issued by the SEBI.*
  - b. *Regulation 17(1)(a) of the Listing Regulations and Second Proviso to Section 149(1)(a) read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013 during the period from 26.07.2021 to 05.08.2021 due to absence of a Woman Director on the Board of the Company.*
  - c. *Regulation 17(1)(b) of the Listing Regulations and Para 3.1.4 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 during the period from 24.07.2021 to 25.07.2021 and from 06.08.2021 to 25.11.2021 due to absence of adequate number of Independent Directors on the Board of the Company*

*We further Report that the Company being a Government Company, the Composition of the Board of Directors is dependent on the direction of the Administrative Ministry and thus, the aforementioned non-compliances were beyond the control of the Company. Moreover, the Board of Directors of the Company were duly constituted as on 31<sup>st</sup> March, 2022.*

## Other matters and Restriction on Use

9. This report 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.
10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations issued by the SEBI as well as the Guidelines issued by the DPE with reference to compliance with the relevant regulations/guidelines on Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **B. K. SHROFF & CO.**  
**Chartered Accountants**  
Firm Registration No.: 302166E

Place: Kolkata  
Date: 29<sup>th</sup> July, 2022

(**L. K. SHROFF**)  
**PARTNER**  
Membership No. : 060742  
UDIN:22060742ANVRNM1280

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Balmer Lawrie & Co. Ltd.**  
**21, Netaji Subhas Road**  
**Kolkata 700001**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Balmer Lawrie & Co. Ltd.**, having CIN: **L15492WB1924GOI004835**, and having Registered office at 21, Netaji Subhas Road, Kolkata – 700 001, listed on BSE Limited, Scrip Code- 523319 and the National Stock Exchange of India Ltd., Scrip Code – BALMLAWRIE (hereinafter referred as “Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the official portal of Ministry of Corporate Affairs, [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Serial No.	Name of the Directors	DIN	Date of Appointment in Company*
1	Mr. Adika Ratna Sekhar	08053637	29-05-2018
2	Mr. Arun Kumar	03570776	18-07-2019
3	Mr. Anil Kumar Upadhyay	07724769	18-07-2019
4	Mr. Bhagawan Das Shivahare	08514350	18-07-2019
5	Mr. Adhip Nath Palchaudhuri	08695322	01-03-2020
6	Mr. Sandip Das	08217697	01-05-2020
7	Mr. Kushagra Mittal	09026246	20-01-2021
8	Ms. Perin Devi Rao	07145051	06-08-2021
9	Mr. Rajeev Kumar	09402066	26-11-2021
10	Dr. Vandana Minda Heda	09402294	26-11-2021

Further, during the Financial Year 2021-2022, Shri Vikash Preetam (DIN: 00910261), Smt Perin Devi Rao (DIN: 07145051) and Shri Arun Tandon (DIN :08210607) had ceased to be the Director of the Company with effect from 24<sup>th</sup> July, 2021, 26<sup>th</sup> July, 2021 and 12<sup>th</sup> September, 2021 respectively.

Further, pursuant to the nomination letter received from the Ministry of Petroleum and Natural Gas, being the Administrative Ministry, Smt. Perin Devi Rao (DIN: 07145051) had been appointed as a Director of the Company with effect from 6<sup>th</sup> August, 2021.

\* Date of appointment is as per details available at the official portal of the Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in)

Ensuring the eligibility of for the appointment / continuity as Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification.

This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For T. Chatterjee & Associates**  
**Practicing Company Secretaries**  
**FRN No. - P2007WB067100**

**Sumana Subhash Mitra – Partner**  
**ACS : 43291, CP : 22915**  
**UDIN: A043291D000604720**

**Place: Kolkata**  
**Date: 12<sup>th</sup> July, 2022**



**SECRETARIAL AUDIT REPORT****(For the Financial Year ended 31<sup>st</sup> March, 2022)**

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

To,

The Members,

**Balmer Lawrie & Co. Ltd.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balmer Lawrie & Co. Ltd.**, (CIN: L15492WB1924GOI004835) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 (including RTA), electronic records available in the official portal of the Ministry of Corporate Affairs, portal of the Stock Exchanges, representation made by the Management and considering relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India on account of ongoing global pandemic Novel Coronavirus (COVID 19), we hereby report that in our opinion, the company has, during the audit period covering Financial Year ended on 31<sup>st</sup> March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed with the stock exchange, in the official portal of the Ministry of Corporate Affairs (MCA), etc. and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March 2022, according to the applicable provisions of:

- i) The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the company:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable to the Company during the audit period);
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company during audit period)
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 15<sup>th</sup> August, 2021) (not applicable to the company during review period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (upto 15<sup>th</sup> August, 2021) (not applicable to the company during review period);
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16<sup>th</sup> August, 2021)- (not applicable to the company during review period);
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - h. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021. (not applicable to the company during audit period)
  - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the Company during audit period)
  - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; (not applicable to the Company during audit period)
  - k. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (hereinafter referred to as "Listing Regulations")
  - l. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- vi) The Management of the Company represented that fiscal, labour and environmental laws and other Statutes which are applicable to such type of companies, are generally complied with which inter-alia includes the followings which are specifically applicable to the company:
- a. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India vide their OM No. 18(8)/2005-GM dated 14<sup>th</sup> May 2010
  - b. The Petroleum Act, 1934
  - c. The Warehousing (Development and Regulation) Act, 2007

We have also examined compliance of the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board Meetings (SS-1) and General Meetings (SS-2).
- b. The Listing Agreements entered into by the Company with the Stock Exchanges read with the provisions of the Listing Regulations.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, etc. mentioned above, **subject to the following observations:**

The composition of the Board of Directors was not in compliance with the following provisions:

- a. Regulation 17(1)(a) of the Listing Regulations during the period from 01-04-2021 to 25-11-2021 due to absence of an Independent Woman Director on the Board of the Company.
- b. Regulation 17(1)(a) of the Listing Regulations and second proviso to Section 149 (1) (a) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013 during the period from 26-07-2021 to 05-08-2021 due to absence of a Woman Director on the Board of the Company.
- c. Regulation 17(1)(b) of the Listing Regulations and Para 3.1.4 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 during the period from 24-07-2021 to 25-07-2021 and from 06-08-2021 to 25-11-2021 due to absence of adequate number of Independent Directors on the Board of the Company.

**We report that:**

- a. The Board of Directors of the Company was not duly constituted with proper balance of Non-Executive Directors and Independent Directors for the period discussed in the preceding para. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Composition of the Board of Directors was in compliance of the applicable provision of the Companies Act, 2013 and the Listing Regulations.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decisions at Board Meetings and Committee Meetings were carried out while the dissenting member's views were captured and recorded as a part of the Minutes.

We report that during the period under review, the Board meetings were conducted where option was given to the Board Members to participate either physically or through video conferencing and adequate facilities are used to facilitate the Directors at other locations to participate in the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no events occurred which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc. referred above.

**For T. Chatterjee & Associates  
Practicing Company Secretaries  
FRN No. - P2007WB067100**

**Sumana Subhash Mitra – Partner  
ACS : 43291, CP : 22915  
UDIN: A043291D000604601**

**Place: Kolkata  
Date: 12<sup>th</sup> July, 2022**

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

To,  
The Members  
**Balmer Lawrie & Co. Ltd.**

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 Guidance Notes on ICSI Auditing Standard, 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. 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.
5. The Secretarial Audit 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 T. Chatterjee & Associates  
Practicing Company Secretaries  
FRN No. - P2007WB067100**

**Sumana Subhash Mitra – Partner  
ACS : 43291, CP : 22915  
UDIN: A043291D000604601**

**Place: Kolkata  
Date: 12<sup>th</sup> July, 2022**

**INDEPENDENT AUDITOR'S REPORT  
OF  
BALMER LAWRIE & COMPANY LIMITED**

To  
The Members of  
**Balmer Lawrie & Company Limited**

**Report on the Audit of Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of **Balmer Lawrie & Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date audited by the branch auditors of the Company's branches located at Northern, Southern and Western Regions of the country (hereinafter referred as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl.No	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has tax matters under dispute which involves judgment to determine the possible outcome of these disputes. [Refer Note No.42.3(a) to the standalone financial statements read with its Annexure "A"]</p>	<p>We obtained the details of assessment orders to the extent available, regarding those assessments for which disputes are continuing and being disclosed as contingent liability by the management. We involved our expertise to estimate the possible outcome of the disputes. Our experts considered the assessment orders and other rulings in evaluating management's position on these uncertain tax positions to evaluate whether any changes were required to management's position on these uncertain tax matters</p>
2	<p><b>Debtors Due for More than Three years and Credit Balances in Sundry Debtors Accounts (Unallocated Receipts)</b></p> <p>The company has credit balance in some customer accounts across all Strategic Business Unit (SBU's). The credit balance in these customer accounts are due to either of the following reasons:</p> <ul style="list-style-type: none"> <li>• Amount lying in the nature of advance in the customer account;</li> <li>• Amount credited to customers account but the same could not be tracked/linked with any sales invoice;</li> <li>• Non-reconciliation of these balances and the absence of customer's confirmation resulting in the credit balances lying for long periods;</li> </ul>	<p>We have checked the debtor's ageing schedule of the SBU's. The Company is regularly following up on the realisation of the same. As is evident from the ageing schedule dues do exist for more than three years against which provisions have been made in the accounts.</p> <p>We, during the course of our examination have also checked the unadjusted advances from customers lying for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances which were lying unadjusted for more than three years have been written back during the course of audit. In some cases, the management is in the process of reconciliation with the respective parties and hence the write back if any, has been kept in abeyance.</p> <p>It is observed that though the letters seeking customers' confirmation are sent by the Company, the response has been poor. Steps should be taken to get the confirmation from customers. In addition to the practice of seeking confirmation annually, the Company should also get confirmation through the sales team on a periodical basis other than annually.</p> <p>The management has to strengthen the internal control process of reconciling the balances of the debtors and to adjust the unallocated receipts on a periodical basis.</p>

## Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements, which describe the uncertainty related to the outcome.

- a) Note No. 42.8 which states that trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination/ receipt of such confirmation.
- b) Note No. 42.30 which states that the company has not made any provision towards its investments made in subsidiary, M/s Visakhapatnam Port Logistics Park Ltd (VPLPL).
- c) Note No.42.37 which describes the management's assessment of the impact of uncertainties related to COVID-19 pandemic and its consequential effects on the business operations of the Company.
- d) Note No. 42.38 which states that old recoverables from M/s Biecco Lawrie Limited (BLL) which were provided and written-off in earlier years has been recovered during the year and duly accounted for.
- e) Note No. 23: "Other Trade Payable" includes the sundry creditor for expenses amounting to Rs.322.57 Lakhs (P.Y. Rs. 322.57 Lakhs) of E&P Division, Kolkata, which are lying unpaid since long, as the matters are under litigation.

Our opinion is not modified in respect of the above matters.

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for 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 Report and Shareholder 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.

## Responsibility of Management and those Charged with Governance for the standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it

probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

We did not audit the financial statements/ information of branches situated in Northern, Southern and Western Regions included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 1,13,464.78 Lakhs as at 31st March 2022 and the total revenue of Rs. 1,66,402.44 Lakhs for the year ended on that date, as considered in the standalone financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of the above matter.

**Report on Other Legal and Regulatory requirements**

1. As required under section 143(5) of the Companies Act, 2013, we give in the Annexure-A, a Statement on the Directions / Sub-Directions issued by the Comptroller and Auditor General of India after complying the suggested methodology of Audit, the action taken thereon and its impact on the accounts and financial statements of the Company.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch

auditors have been sent to us and have been properly dealt with by us in preparing this report.

- d) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.
- e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder.
- f) The provisions of Section 164(2) of the Companies Act, 2013 are not applicable to Government Companies in terms of notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Company Affairs, Government of India.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-C.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- i) As per records made available to us, the Company has disclosed the impact of pending litigations on its financial position in its notes & its annexures to the standalone financial statements - Refer Note 42.3 and its Annexure "A" to the standalone financial statements.
- ii) The Company does not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures that we have considered

## Balmer Lawrie & Co. Ltd.

reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- v) As stated in Note No. 45 to the Standalone Financial Statement
  - a) The Final Dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

- b) The Board of Directors of the Company have proposed Final Dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

Place: Kolkata  
Date: 27th May, 2022

For **B. K. SHROFF & CO.**  
Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**  
Membership No. 060742  
**UDIN: 22060742AJSYGQ1256**

**ANNEXURE – A TO THE AUDITORS’ REPORT**

**DIRECTIONS / SUB-DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013 ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA TO THE INDEPENDENT AUDITORS OF BALMER LAWRIE & COMPANY LIMITED FOR CONDUCTING AUDIT OF ACCOUNTS FOR THE YEAR 2021-22.**

<b>CAG’s Directions</b>	<b>Our Observation</b>	<b>Impact on Financial statements</b>
(1) Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the accounting transactions of the Company for the year are processed through the IT system vide ERP (SAP accounting package) and as per the examination of records as provided to us, there are standalone intermediary software’s to capture the transactions related to certain functions in certain SBU’s (for example Mid Office software for Tours and Travel) and the transactions from these standalone software are posted in SAP for accounting purpose.	NIL
(2) Whether there is any restructuring of an existing Loan or cases of waiver/ write off of debt/loans/interests, etc.made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government Company, then this direction is also applicable for statutory auditor of lender company).	As per the information and explanations given by the management, there is no restructuring of loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company during the year.	NIL
(3) Whether the fund (grant /subsidy etc.) received/ receivable for specific scheme from Central/State Government or its agencies were properly accounted for/ utilised as per its term and condition? List the case of deviation.	The company has been sanctioned a revised and final Grant – in –Aid of Rs.6.72 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company has been disbursed as full and final payments Rs.6.72 crores till 31.03.2022 for specified assets purchased [for Patalganga, Maharashtra] as according to the scheme document the fund is disbursed upon utilisation for specific purpose.	The accounting for the same has been done with regard to IND AS 20 “Accounting for Government Grants and Disclosure of Government Assistance”. Accordingly, the same has been treated as deferred income to be apportioned over the useful life of the assets. During the current financial year, a sum of Rs.45.00 Lakhs has been credited to the income in the statement of profit and loss account based on the accounting standard.

For **B. K. SHROFF & CO.**  
Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**

Membership No. 060742  
**UDIN: 22060742AJSYGQ1256**

Place: Kolkata  
Date:27th May, 2022



**ANNEXURE- B TO THE AUDITORS' REPORT**

**Annexure referred to in paragraph (2) under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date**

- i. In respect of the Company's Property, Plant & Equipments :-
  - a) A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
  - B) The company is maintaining proper records showing full particulars of intangible assets.
  - b) The Company has a regular program of physical verification of its Property, Plant & Equipments in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned below. In respect of immovable properties of land and building, taken on lease and disclosed as Right of Use Assets in the standalone financial statements, the lease agreements are in the name of the Company, except as mentioned below. Our report is solely based on the non – availability of the original title deeds, in the absence of which we are unable to comment whether the respective title/lease deeds are held in the name of the company;

None of the title deed holder is a promoter, Director or relative of promoter/ director or employee of promoter/ director.

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
PPE-Building	Gopalpur Holiday Home, Village Gopalpur, Udayapur Mouza, Gopalpur, Orissa	28.14	Not verifiable since Original papers are not available with the Company	April 1994	Certified conveyance deed and photocopy agreement.
PPE-(a) Building (b) Land	Village Piyala, Ballabgarh, Asaoti, District-Faridabad	(a) 661.67 (b) 115.71	Not verifiable since Original papers are not available with the Company	October 1996	Photocopy of agreement.
PPE-Building	Batra Centre, 27-Ulsoor Road, Bangalore-560042	7.96	Not verifiable since Original papers are not available with the Company	January 2006	Certified copy of Sale deed.
PPE-Building	Flat No. 601, Sea Gull Cooperative Housing Society Ltd (B&C), Sherly Rajan Road, Rizvi Complex, Off Carter Road, Bandra (West), Mumbai-400050	84.23	Not verifiable since Original papers are not available with the Company	June 1995	Original Share Certificate. Original registered agreement of flat.
PPE-Building	Flat at Sea Crest Cooperative Housing Society Ltd. Plot No-63 & 64, Seven Bungalows, Jay Prakash Road, Versova, Andheri (West), Mumbai-400061	2.02	Not verifiable since Original papers are not available with the Company	November 1989	Original Share Certificate. Photocopy agreement of flat.
PPE-Building	Flat No. 202, Mount Unique Cooperative Housing Society Ltd. 25-Mount Mary Road, Bandra (West), Mumbai-400050	16.19	Not verifiable since Original papers are not available with the Company	June 1988	Original Registration Receipt. Duplicate copy of agreement of flat.
PPE-Building	Flat No. 23A, Meherina Cooperative Housing Society Ltd. Plot No. C-51, Napean Sea Road, Mumbai-400026	94.36	Not verifiable since Original papers are not available with the Company	December 1994	Original Registration Receipt. Duplicate copy of agreement of flat.
PPE-(a) ROU (b) Building	Flat at BL Housing Complex, Plot No. 1-1 & 1-2, Sector 2, Phase II, Nerul, Navi Mumbai-400076	(a) 12.99 (b) 118.73	Not verifiable since Original papers are not available with the Company	November 2009	Photocopy of MOU with SIDCO
PPE-Building	House Nos. H-2 & H-3, 4th Floor, Building No. 9, Bokadveera, Uran, Mumbai	26.98	Not verifiable since Original papers are not available with the Company	January 1999	Original and certified documents. Receipt registered

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
PPE- (a) Building (b) Land	Grease & Lubricants Division, 149-Jackeria Bunder Road, Sewree (West), Mumbai-400015	(a) 17.36 (b) 2.83	Not verifiable since Original papers are not available with the Company	October 1961	Certified copy of agreement.
PPE- (a) Building (b) Land	Industrial Packaging Division, 149-Jackeria Bunder Road, Sewree (West), Mumbai-400015	(a) 1.78 (b) 3.85	Not verifiable since Original papers are not available with the Company	September 1961	Certified copy of agreement.
PPE- (a) Building (b) Land	Grease & Lubricants Division, Survey No.201/1, Sayli Village, Silvassa-396230	(a) 1255.88 (b) 112.93	Not verifiable since Original papers are not available with the Company	March 1998	Photocopy of Agreement.
PPE- (a) Building (b) Land	Industrial Packaging Division, Survey No.23/1/1, Village Khadoli, Silvassa-396230	(a) 286.14 (b) 43.94	Not verifiable since Original papers are not available with the Company	October 1999	Photocopy of Agreement.
Investment Properties-Building	Arya Bhavan, Graham Road, 5-J. N. Heredia Marg, Ballard Estate, Mumbai-400001	110.82	Original Deed not available. Lease Deed Expired	February 1950	Copy of lease agreement. However, lease period has expired on 16.08.2018.
PPE-Building	Ground Floor, Sadashiv Sadan, Tarun Bharat Society, Chakala, Andheri (East), Mumbai-400099	9.40	Not verifiable since Original papers are not available with the Company	March 1999	Original registration receipt. Photocopy of agreement.
PPE-Building	Grease & Lubricants Division, P-43, Hide Road Extension, Kolkata-700088	370.23	Not verifiable since Original papers are not available with the Company	June 1996	Certified copy of indenture.
PPE- (a) ROU (b) Building	Plot F-9/5 (TCW), Additional Patalganga Industrial Area, Chawane, Panvel, Raigad District	(a) 278.68 (b) 975.57	Not verifiable since Original papers are not available with the Company	July 2015	Photocopy of Agreement
PPE-Building	Building at Scope Complex Noida Housing Complex Buildings	19.95 37.47	Not verifiable since Original papers are not available with the Company	Sept, 2003 Dec, 2003	Not registered in the name of the company.
PPE- (a) Building (b) Land	Container Freight Station, 32-Sathangadu Village, Thiruvottiyur, Manali Road, Chennai-600068	(a) 2346.42 (b) 509.21	Department of Revenue, Government of Tamil Nadu	March 2006	Non-conclusion of commercials by Government of Tamil Nadu.

- d) During the year, the company has not revalued its Property, Plant and Equipment(including Right Of Use Assets) or intangible assets or both and hence provisions of clause (i) (d) of the Order are not applicable to the company.
- e) According to the information and explanation given to us and the records maintained by the company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- ii a) According to the information and explanation given to us the inventory of the Company except goods in transit has been physically verified during the year at reasonable intervals by the management. In our opinion, having regard to the nature and location of inventory, the frequency of verification is reasonable. The discrepancies noticed on such verification were not 10% or more in the aggregate for each class of inventory.
- b) In our opinion and according to the information and explanation given to us and records maintained by the company, the company has not been sanctioned working capital limit in excess of Rs. 5.00 crores in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account of the company.
- iii The Company, during the year, has not made investments in or provided any guarantee or security or granted any loans or advance in the nature of loan, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, clauses (iii) (a) to (f) of the Order are not applicable to the company.
- iv According to the information and explanations given to us, the Company, during the year, has not given any loans, guarantees or securities which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013. However, during the year, the Company has made investment in equity shares of a start up company, M/s Ramprasad Meena Technologies Pvt. Ltd. which are in compliance with the provisions of section 186 of the Companies Act, 2013.
- v According to the information and explanation given to us, the company has not accepted any deposit or amounts which are deemed to be deposits from the public. Therefore, the provisions of clause (v) of the Order are not applicable to the company.

- vi We have broadly reviewed the cost records maintained by the Company in respect of the products of Grease and Lubricants, Industrial Packaging & Chemicals where, pursuant to the Companies (Cost records and Audit) Rules, 2014 read with companies (Cost records and Audit) Amendment Rules, 2014 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records for any other products of the Company.
- vii According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other statutory dues applicable to it with the appropriate authorities.
  - b. The disputed statutory dues of Sales Tax, Service Tax, Cess and Central Excise aggregating to Rs.9427.28 Lakhs have not been deposited as mentioned in Note No.42.3(a) to the accounts read with Annexure "A" showing the amounts involved and the forum where the dispute is pending.
- viii According to the information and explanations provided to us, there were no transactions which were not recorded in the books of account which have been surrendered or disclosed as income, during the year, in the tax assessments under the Income Tax Act, 1961 and no previously unrecorded income has been recorded in the books of account during the year.
- ix
  - a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b) According to the records of the company and information or explanations given to us, the company is not a declared wilful defaulter by any bank or financial institution or other lender.
  - c) The Company has not taken any Term Loan during the year and there are no outstanding Term Loan at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - d) According to the records of the company and information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.
  - e) According to the records of the company and information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f) According to the records of the company and information and explanations given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x
  - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.
  - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) and hence, reporting under clause 3(x)(b) of the Order is not Applicable .
- xi
  - a) According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
  - b) No report under sub-section (12) of section 143 of the Companies Act in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 has been filed by the auditors with the Central Government.
  - c) According to the records of the company and information and explanations given to us, no whistle blower complaints have been received by the company during the year.
- xii The Company is not a Nidhi Company and hence reporting under clause (xii)(a to c) of the Order are not applicable.
- xiii According to the information and explanations provided to us and the records of the company examined by us, the Company has complied with the requirements of Section 177 in respect of composition of Audit Committee. All transactions of the Company with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements in Note No. 42.19 (i) and (ii) as required by the applicable accounting standards.
- xiv
  - a) According to the information and explanations given to us, in our opinion the company has an internal audit system commensurate with the size and nature of its business.
  - b) We have considered the reports of Internal Auditors for the period under audit provided to us by the company.
- xv In our opinion and according to the information and explanations given to us, the company, during the year, has not entered into any non-cash transactions with directors or persons connected with them.
- xvi
  - a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b) During the year, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c) The company is not a Core Investment Company (CIC) and/or an exempted or unregistered CIC as defined in the regulations made by the Reserve Bank of India.
  - d) According to the records of the company and information and explanations given to us, the group has no CIC.
- xvii The company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- xviii During the year there has been no resignation of the statutory auditors of the company and hence provisions of clause (xviii) of the Order is not applicable.

- xix On the basis of the Financial Ratios, Aging and expected dates of realisation of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Director and Management Plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx a) According to the records of the company and information and explanations given to us, in our opinion, there are no unspent amounts towards Corporate Social Responsibility (CSR) on projects other than ongoing projects requiring transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- b) According to the records of the company and information and explanations given to us, in our opinion, there are no amount remaining unspent under sub section (5) of section 135 of the Companies Act, pursuant to any ongoing project requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For **B. K. SHROFF & CO.**  
Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**  
Membership No. 060742  
**UDIN: 22060742AJSYGQ1256**

Place: Kolkata  
Date: 27th May, 2022

## **Annexure - C to the Auditors' Report**

### **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 Balmer Lawrie & Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. Though certain areas require further strengthening, it does not have any material effect on the internal financial controls. The internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **B. K. SHROFF & CO.**

Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**

Membership No. 060742  
**UDIN: 22060742AJSYGQ1256**

Place: Kolkata  
Date: 27th May, 2022

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BALMER LAWRIE & COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2022**

The preparation of financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

**1. Balance Sheet:****Non-current Liabilities:****Provisions: ₹ 6975.12 lakh**

The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹ 11.65 crore in M/s DHFL, M/s L&FS and M/s Reliance Capital along with interests of ₹ 2.28 crore. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chances of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 crore (₹ 11.65 crore + ₹ 2.28 crore - ₹ 1.91 crore) should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non-provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 crore with the corresponding overstatement of profit for the year by an equal amount.

**2. Balance Sheet:****Current Liabilities:****Non-financial Liabilities-Others: ₹ 6198.60 lakh.**

An amount of ₹ 3.15 crore was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 crore had not transferred the balance amount of ₹ 3.01 crore to TSL. It is worthwhile to mention that, in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹ 3.01 crore against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.

Thus, non-provisioning of Liability of ₹ 3.01 crore towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 crore each with a corresponding of restatement of Profit for the year by ₹ 6.02 crore.

**3. Balance Sheet:****Non-current Liabilities:****Provision: Note-21: ₹ 6975.12 lakh****Current Liabilities:****Provision: Note-26: ₹ 1952.91 lakh**

The above heads of accounts do not include ₹ 13.29 crore (₹ 9.43 crore upto March 2020 and ₹ 3.86 crore for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹ 13.29 crore for the said unauthorised occupancy.

Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 crore as well as understatement of Provisions under Non-current Liabilities by ₹ 11.36 crore with corresponding overstatement of Profit for the year ₹ 13.29 crore.

**For and on behalf of the Comptroller & Auditor General of India**

Place: Kolkata  
Date: 22/07/2022

**(Suparna Deb)**  
Director General of Audit (Mines)  
Kolkata

## COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The office of the Comptroller & Auditor General of India ('CAG') had conducted a supplementary audit of the Financial Statements (both Standalone and Consolidated) of the Company for the FY ended 31<sup>st</sup> March 2022 and highlighted the certain significant matters. The corresponding management response against the aforesaid matters are enumerated hereunder:

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022 (Standalone)	Management's Reply
<p><b>1. Balance Sheet:</b>  <b>Non-current Liabilities:</b>  <b>Provisions: ₹ 6975.12 lakh</b></p> <p>The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹ 11.65 crore in M/s DHFL, M/s IL&amp;FS and M/s Reliance Capital along with interests of ₹ 2.28 crore. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chances of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 crore (₹ 11.65 crore + ₹ 2.28 crore – ₹ 1.91 crore) should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non-provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 crore with the corresponding overstatement of profit for the year by an equal amount.</p>	<ul style="list-style-type: none"> <li>The total cumulative interest on the defaulting investments have been provided for in the Company's books as on 31<sup>st</sup> March, 2022.</li> <li>Against investments in M/s DHFL where the principal invested amount was Rs.2.10 Crores, Balmer Lawrie Staff Provident Fund (BLSPPF) has already received Rs.1.02 Crores and the net loss of Rs.1.08 Crores have already been provided as on 31.03.22.</li> <li>For other investments in M/s IL&amp;FS, M/s Jorabat Shillong Expressway Limited and M/s Reliance Capital, principal amount totalling to Rs.9.82 Crores, the final orders of Hon'ble NCLT are yet to be received, pending which, the amount of expected loss/ anticipatory provision remains completely indeterminate and since, the final recoverable amount is not predictable or known currently, the Company has not made any provision for the same.</li> <li>The Company is liable, as per the BLSPPF Trust Rules, to make good any losses to BLSPPF to ensure that the minimum declared rate of interest (currently @ 8.10% for FY 2021-22 notified in the month of June, 2022) by the Government of India for any year is fully paid to all the beneficiaries. Also, after provisioning of interest for the year, BLSPPF continues to carry the surplus balance in addition to the liability on account of the beneficiaries, including their contribution and cumulative interest credited till 31<sup>st</sup> March, 2022.</li> <li>Even after payment of interest at the old declared rates @ 8.50% for the previous years (to the employees who have superannuated, resigned or transferred), there is surplus balance available with the BLSPPF, implying no further requirement of fund infusion by the Company as on 31.03.2022.</li> <li>In view of the above clarifications, it is amply clear no further provision is required to be made in the books as on 31.03.2022. Based on internal discussions and review with the C&amp;AG, the company proposes to provide for 50% of the original investments of Rs.9.82 Crores during FY 2022-23. Necessary adjustments in the provision figures shall be made on receipt of the final orders of Hon'ble NCLT.</li> <li>The Company further reiterates that it shall continue to make good the losses as and when required as per BLSPPF Trust Rules.</li> </ul> <p>Thus, it can be seen that based on the above facts, the Company has no requirement of provision currently in the books and hence, there is no understatement of Provisions or overstatement of profit for the year.</p>
<p><b>2. Balance Sheet:</b>  <b>Current Liabilities:</b>  <b>Non-financial Liabilities-Others: ₹ 6198.60 lakh.</b></p> <p>An amount of ₹ 3.15 crore was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 crore had not</p>	<ul style="list-style-type: none"> <li>The amount(s) which the Company has adjusted and written back in its books are purely its operational dues. The letter dated 29.10.2020 of the IRP (appointed by Hon'ble NCLT) of TSL also acknowledges the dues of the Company and also mentions the fact that the Company can release the payments to TSL after adjusting (i) its claim of marketing commission for ONGC related projects and (ii) past dues of the Company since the CIRP commencement date i.e. 21.11.2019.</li> <li>Invoices of Operational dues raised on TSL after 21.11.2019 amounts to Rs.2.73 Crores. Hence, adjustment is legally permitted by the Company.</li> <li>The Company has written back a sum of Rs.3.01 Crores received from M/s ONGC Limited in its books. Simultaneously, it has written off its dues from TSL in its books arising out of provision of manpower, rent, electricity and other related amounts for operational needs.</li> </ul>

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022 (Standalone)	Management's Reply
<p>transferred the balance amount of ₹3.01 Crores to TSL. It is worthwhile to mention that, in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹3.01 Crores against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.</p> <p>Thus, non-provisioning of Liability of ₹ 3.01 Crores towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 Crores each with a corresponding of restatement of Profit for the year by ₹ 6.02 Crores.</p>	<ul style="list-style-type: none"> <li>Hence, the question of understatement of current liabilities or of bad debts does not arise as pointed out by Audit.</li> </ul> <p>In view of the above facts, there is no understatement of Current Liabilities/ Bad Debts or any overstatement of Profit for the year.</p>
<p><b>3. Balance Sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provision: Note-21 : ₹ 6975.12 lakh</b></p> <p><b>Current Liabilities :</b></p> <p><b>Provision: Note-26 : ₹ 1952.91 lakh</b></p> <p>The above heads of accounts do not include ₹ 13.29 Crores (₹ 9.43 Crores upto March 2020 and ₹ 3.86 Crores for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹ 13.29 Crores for the said unauthorised occupancy.</p> <p>Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 Crores as well as understatement of Provisions under Non-current Liabilities by ₹ 11.36 Crores with corresponding overstatement of Profit for the year ₹ 13.29 Crores.</p>	<ul style="list-style-type: none"> <li>The lease agreement between the Company and KoPT for use of the land at Industrial Packaging Plant at Kolkata (IPK) of KoPT by the Company were continuing since a long time. The agreement which expired, was due for renewal from time to time and discussions were held between both the parties to renew the same.</li> <li>In the meanwhile, the Company closed down its IPK unit in August, 2020 due to continuous losses and all the assets of the said plant were either transferred or disposed off.</li> <li>KoPT has been continuing to raise monthly compensation/rental invoices on IPK at the normal rates only and the same continues till date i.e. June, 2022 (last received invoice). These are being paid by the Company on time by its IPK unit.</li> <li>Reconciliation with KoPT have been completed till December, 2018. Further, full and final reconciliation is going on currently and the said exercise shall be completed very soon and shall be shared with KoPT at the time of handing over the aforesaid portions of land by the Company to KoPT in the month of August, 2022.</li> <li>The current invoices of KoPT mentions some old dues including interest which is merely arising out of reconciliation issues. The current detailed line wise outstanding statement of KoPT is available with the IPK unit of the Company and sufficient progress has been made by them in identifying the reasons of short payments as reflecting in KoPT's statements which are primarily on account of non-accounting by KoPT of certain payments in totality and TDS deducted. This is a normal practice and on submission of reconciliation statement along with supporting documents, is expected to be resolved without any further liability arising to the Company.</li> <li>Hence, based on the above facts and circumstances, the Company does not envisage any liability of such magnitude as mentioned out by the Audit.</li> </ul> <p>In view of the same, there is no understatement of Provisions under Current Liabilities/ Non-current Liabilities or any overstatement of Profit for the year.</p>



**Balance Sheet as at 31st March 2022**

Particulars	Note No.	(₹ in Lakhs)	
		As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	49,707.97	48,495.93
(b) Right of Use Assets	3	8,197.22	8,425.12
(c) Capital work-in-progress		1,064.92	3,210.62
(d) Investment Properties	4	39.74	42.11
(e) Intangible Assets	5	263.46	295.93
(f) Financial Assets			
(i) Investments	6	12,989.37	12,979.44
(ii) Loans	7	181.86	199.32
(iii) Others	8	8.53	37.28
(g) Non Financial Assets - Others	10	1,044.08	923.33
Total Non Current Assets		73,497.15	74,609.08
<b>(2) Current Assets</b>			
(a) Inventories	11	20,094.79	16,013.79
(b) Financial Assets			
(i) Trade Receivables	12	31,388.70	28,891.28
(ii) Cash & Cash equivalents	13	4,694.25	3,475.45
(iii) Other Bank Balances	14	36,858.88	49,677.16
(iv) Loans	15	866.63	1,178.81
(v) Others	16	20,911.83	12,321.68
(c) Non Financial Assets - Others	17	6,191.24	6,300.14
Total Current Assets		1,21,006.32	1,17,858.31
<b>Total Assets</b>		<b>1,94,503.47</b>	<b>1,92,467.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	18	17,100.38	17,100.38
(b) Other Equity	19	1,14,885.52	1,13,672.40
Total Equity		1,31,985.90	1,30,772.78
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	-	292.88
(ii) Lease Liabilities		1,956.73	2,093.23
(iii) Other Financial Liabilities	20	11.56	17.50
(b) Provisions	21	6,975.12	5,271.78
(c) Deferred Tax Liabilities (net)	9	1,615.09	1,721.61
(d) Non Financial Liabilities-Others	22	492.39	385.91
Total Non Current Liabilities		11,050.89	9,782.91
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	-	203.65
(ii) Lease Liabilities		742.24	867.97
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	23	789.53	818.15
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	26,460.97	26,253.46
(iv) Other Financial Liabilities	24	12,672.83	12,812.01
(b) Non Financial Liabilities-Others	25	6,198.60	7,725.85
(c) Provisions	26	1,952.91	681.39
(d) Current Tax Liabilities (net)	27	2,649.60	2,549.22
Total Current Liabilities		51,466.68	51,911.70
<b>Total Equity and Liabilities</b>		<b>1,94,503.47</b>	<b>1,92,467.39</b>

**Summary of Significant Accounting Policies**

The accompanying notes are integral part of the financial statements.

1

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

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**CA. L. K. Shroff**  
Partner  
Membership No.060742  
Kolkata, 27th May, 2022

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Adhip Nath Palchadhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Kavita Bhavsar**  
Company Secretary

**Statement of Profit and Loss for the year ended 31st March 2022**

		(₹ in Lakhs)	
	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
I			
	28	2,04,245.31	1,52,209.97
II	29	6,239.66	7,066.82
III	<b>Total Income (I+II)</b>	<b>2,10,484.97</b>	<b>1,59,276.79</b>
<b>IV Expenses</b>			
	30	1,42,696.94	98,361.84
	31	1,276.51	359.93
	32	(468.74)	34.03
	33	22,695.12	21,759.83
	34	580.03	528.85
	35	4,673.56	4,558.71
	36	22,017.10	18,008.63
	<b>Total Expenses (IV)</b>	<b>1,93,470.52</b>	<b>1,43,611.82</b>
V	<b>Profit before exceptional items and Tax (III-IV)</b>	<b>17,014.45</b>	<b>15,664.97</b>
VI	Exceptional Items	-	-
VII	<b>Profit before Tax (V-VI)</b>	<b>17,014.45</b>	<b>15,664.97</b>
VIII	Tax Expense		
	37	4,568.80	3,352.65
	9	165.00	667.22
IX	<b>Profit for the year from Continuing Operations (VII-VIII)</b>	<b>12,280.65</b>	<b>11,645.10</b>
X	<b>Profit from Discontinued Operations</b>	-	-
XI	Tax expense of Discontinued Operations	-	-
XII	<b>Profit from Discontinued Operations (after tax) (X-XI)</b>	-	-
XIII	<b>Profit for the year (IX+XII)</b>	<b>12,280.65</b>	<b>11,645.10</b>
XIV	<b>Other Comprehensive Income</b>	38	
	Ai) Items that will not be reclassified to profit or loss	(1,078.82)	(18.40)
	ii) Income tax relating to items that will not be reclassified to profit or loss	271.52	4.63
	Bi) Items that will be reclassified to profit or loss	-	-
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-
XV	<b>Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the year)</b>	<b>11,473.35</b>	<b>11,631.33</b>
XVI	<b>Earnings per equity share (for continuing operations):</b>	39	
	(1) Basic (₹)	7.18	6.81
	(2) Diluted (₹)	7.18	6.81
XVII	<b>Earnings per equity share (for discontinued operation):</b>		
	(1) Basic (₹)	-	-
	(2) Diluted (₹)	-	-
XVIII	<b>Earnings per equity share (for discontinued &amp; continuing operations):</b>		
	(1) Basic (₹)	7.18	6.81
	(2) Diluted (₹)	7.18	6.81

**Summary of Significant Accounting Policies**

The accompanying notes are integral part of the financial statements.

1

This is the Statement of Profit/Loss referred to in our report of even date. As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Adhip Nath**  
**Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**CA. L. K. Shroff**  
Partner  
Membership No.060742  
Kolkata, 27th May, 2022

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Kavita Bhavsar**  
Company Secretary

**Cash Flow Statement for the year ended 31st March 2022**

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Cash flow from Operating Activities</b>		
<b>Net profit before tax</b>	17,014.45	15,664.97
<b>Adjustments for:</b>		
Depreciation and Amortisation	4,673.56	4,558.71
Write off/Provision for doubtful trade receivables ( Net)	80.28	(1,248.08)
Write off/Provision for Inventories (Net)	(49.85)	(5.68)
Other Write off/Provision ( Net)	6.23	145.95
(Gain)/ Loss on sale of fixed assets (Net)	(449.18)	(10.24)
(Gain)/ Loss on disposal/ sale of Investments (Net)	-	(49.20)
Interest income	(2,680.05)	(2,921.64)
Dividend Income	(2,015.14)	(2,383.79)
Finance costs	580.03	528.85
<b>Operating Cash Flows before working capital changes</b>	<b>17,160.33</b>	<b>14,279.85</b>
<b>Changes in operating assets and liabilities (working capital changes)</b>		
(Increase)/Decrease in trade receivables	(2,577.70)	(347.47)
(Increase)/Decrease in non current assets	(1,430.20)	(992.29)
(Increase)/Decrease in inventories	(4,031.15)	(1,502.41)
(Increase)/Decrease in other short term financial assets	(8,284.20)	7,780.65
(Increase)/Decrease in other current assets	80.66	262.22
Increase/(Decrease) in trade payables	172.95	5,288.45
Increase/(Decrease) in long term provisions	1,703.34	950.12
Increase/(Decrease) in short term provisions	1,271.52	(911.46)
Increase/(Decrease) in other liabilities	(234.76)	1,227.71
Increase/(Decrease) in other current liabilities	(1,541.48)	(1,814.75)
<b>Cash flow generated from operations</b>	<b>2,289.31</b>	<b>24,220.62</b>
Income taxes paid (Net of refunds)	(4,468.42)	(2,493.05)
<b>Net Cash (used in) / generated from Operating Activities</b>	<b>A (2,179.11)</b>	<b>21,727.57</b>
<b>Cash flow from Investing Activities</b>		
Purchase/ Construction of Property, Plant and Equipment	(2,258.48)	(4,356.04)
Purchase of Investments	(24.99)	(75.01)
Proceeds on sale of Property, Plant and Equipment	515.53	46.90
Proceeds on disposal/ sale of Investments	-	95.15
Bank deposits (having original maturity of more than three months) (Net)	12,846.52	(6,636.25)
Interest received	2,680.05	2,921.64
Dividend received	2,015.14	2,383.79
<b>Net Cash (used in)/ generated from Investing Activities</b>	<b>B 15,773.77</b>	<b>(5,619.82)</b>
<b>Cash flow from Financing Activities</b>		
Repayment of borrowings	(496.53)	(561.26)
Dividend paid (including tax on dividend, if any)	(10,231.99)	(12,779.38)
Repayment of lease liabilities	(1,067.31)	(746.56)
Finance costs	(580.03)	(528.85)
<b>Net Cash (used in)/ generated from Financing Activities</b>	<b>C (12,375.86)</b>	<b>(14,616.05)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,218.80</b>	<b>1,491.70</b>
Cash and Cash Equivalents at the beginning of the Year	3,475.45	1,983.75
Cash and Cash Equivalents at the end of the year	<b>4,694.25</b>	<b>3,475.45</b>
<b>Movement in cash balance</b>	<b>1,218.80</b>	<b>1,491.70</b>
<b>Reconciliation of Cash and Cash Equivalents as per cash flow statement</b>		
Cash and Cash Equivalents as per above comprise of the following:		
Cash in hand	2.33	0.79
Balance with banks in current accounts	4,691.92	3,474.66
	<b>4,694.25</b>	<b>3,475.45</b>

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

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No.060742  
Kolkata, 27th May, 2022

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**Adhip Nath**  
Director  
Palchaudhuri  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

**Statement of Changes in Equity for the year ended 31st March 2022**
**A. Equity Share Capital**
**(1) Current reporting period** (₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
17,100.38	0.00	17,100.38	0.00	17,100.38

**(2) Previous reporting period** (₹ in Lakhs)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
17,100.38	0.00	17,100.38	0.00	17,100.38

**B. Other Equity**

(₹ in Lakhs)

(1) Current reporting period	Reserves and Surplus			Other Comprehensive Income Reserve (OCI)	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance at the beginning of the current reporting period	3,626.77	29,903.69	81,168.39	(1,026.45)	1,13,672.40
Changes in Accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	3,626.77	29,903.69	81,168.39	(1,026.45)	1,13,672.40
Total Comprehensive Income for the current Year	-	-	11,473.35	-	11,473.35
Dividends	-	-	(10,260.23)	-	(10,260.23)
Remeasurement gain/(loss) during the year	-	-	807.30	(807.30)	-
Balance at the end of the current reporting period	3,626.77	29,903.69	83,188.81	(1,833.75)	1,14,885.52
(2) Previous reporting period	Reserves and Surplus			Other Comprehensive Income Reserve (OCI)	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance at the beginning of the previous reporting period	3,626.77	29,903.69	82,348.58	(1,012.68)	1,14,866.36
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	3,626.77	29,903.69	82,348.58	(1,012.68)	1,14,866.36
Total Comprehensive Income for the previous Year	-	-	11,631.33	-	11,631.33
Dividends	-	-	(12,825.29)	-	(12,825.29)
Remeasurement gain/(loss) during the year	-	-	13.77	(13.77)	-
Balance at the end of the previous reporting period	3,626.77	29,903.69	81,168.39	(1,026.45)	1,13,672.40

This is the Statement of Changes in Equity referred to in our report of even date.  
As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
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Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

## Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2022

### GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The Company is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

#### Basis of Preparation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies during the period presented. The Company's financial statements are prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lacs of Rupees.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

The Standalone financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

#### 1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

#### 1.2 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in- Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Property, plant & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Plant & Machinery other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, plant & equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Plant & Machinery is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	7 years
Sofa, Photocopier, Fax machines, Motor Cars & Machine Spares	5 years

The residual values of all assets are taken as NIL.

#### 1.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

#### 1.4 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when

the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

**Classification and subsequent measurement of financial assets**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

**Amortised cost**

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

**1.5 Inventories**

Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

- a) Raw materials & trading goods, stores & spare parts and

materials for turnkey projects on the basis of weighted average cost.

- b) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- c) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- d) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

**1.6 Government grants**

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**1.7 Foreign currency translation**

**a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The applicable functional and presentation currency is INR.

**b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

**1.8 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions and have identified business segment as its primary segment.

**1.9 Provisions, Contingent liabilities and Capital commitments**

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.
- c) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

## 1.10 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ₹500,000 and above and license to use software per item of ₹25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

## 1.11 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

## 1.12 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

## 1.13 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

## 1.14 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of

assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 1.15 Leases

### The Company as a lessee

The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Company assesses whether the contract meets three key evaluations of whether:

- a) The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- b) The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- c) The Company has the right to direct the use of the identified asset throughout the period of use.

**Measurement and recognition of leases**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost, which includes the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when any indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to the initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases i.e. for leases for period less than 12 months and leases of low-value i.e. value of leased asset which is less than ₹350000 using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. In the Balance Sheet, right-of-use assets have been disclosed under non-current assets and lease liabilities have been disclosed under financial liabilities.

**The Company as a lessor**

The Company classifies leases as either operating or finance leases. A lease is classified as a finance lease if the company transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, and classifies it as an operating lease if otherwise.

**1.16 Revenue recognition**

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

**Sale of goods**

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

**Services rendered**

- a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.
- c) In cases where the Company collects consideration on account of another party, it recognises revenue as the net

amount retained on its own account.

**Other income**

- a) Interest on a time proportion basis using the effective Interest rate method
- b) Dividend from investments in shares on establishment of the Company's right to receive.
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement
- d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The company accounts for volume discounts and pricing incentives to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the company.

As a practical expedient, as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

**Significant payment terms:**

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

**1.17 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

**1.18 Cash Flow Statement**

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**1.19 Employee Benefits**

**(i) Short term obligations**

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet



## (ii) Post-employment obligations

### Defined Contribution Plans

Provident Fund: the company transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund (SAF): the company contributes for eligible employees, a sum equivalent to 9% and 8% for Executives and Officers, respectively of salary, to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) (for eligible optees for LIC managed scheme) or to the fund administered and managed by the NPS Trust (for balance eligible optees for NPS managed scheme). The company has no further obligations on this account. These are recognised as and when they are due.

### Defined Benefit Plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### (iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

## 1.20 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- Any items exceeding rupees twenty five lacs (₹25 Lacs) shall be considered as material prior period item.
- Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior period for which retrospective restatement is practicable (which may be the current period).

## 1.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No.060742  
Kolkata, 27th May, 2022

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Adhip Nath  
Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No 2.

## Property, Plant and Equipment

(₹ in Lakhs)

FY 2021-22 Particulars	Property, Plant and Equipment										Total						
	Land - Freehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings		Vehicles					
<b>Gross Block</b>																	
Balance as at 1 April 2021	2,428.49	27,537.39	20,463.06	123.85	3,956.40	1,237.81	2,411.16	2,468.59	733.21	614.44	820.77						62,795.17
Additions	-	1,621.46	1,279.30	6.96	317.86	186.47	459.74	397.46	19.29	-	28.52						4,317.06
Disposal of assets	-	(5.01)	(1,073.54)	(40.67)	(263.14)	(33.69)	(188.07)	(87.00)	(0.39)	-	(497.37)						(2,188.88)
Reclassification/Adjustments	-	-	-	-	-	-	-	-	-	-	-						-
<b>Gross Block as at March 31 2022</b>	<b>2,428.49</b>	<b>29,153.84</b>	<b>20,668.82</b>	<b>90.14</b>	<b>4,011.12</b>	<b>1,390.59</b>	<b>2,682.83</b>	<b>2,779.05</b>	<b>752.11</b>	<b>614.44</b>	<b>351.92</b>						<b>64,923.35</b>
<b>Accumulated depreciation</b>																	
Balance as at 1 April 2021	-	2,751.08	5,046.25	16.54	1,952.68	526.72	1,831.04	1,106.52	457.75	234.74	375.93						14,299.24
Depreciation charge for the year	-	674.22	1,024.06	25.93	398.90	129.64	405.75	260.28	67.29	71.08	113.34						3,170.49
Disposal of assets	-	(3.23)	(913.23)	(40.67)	(260.04)	(32.82)	(187.26)	(80.49)	(0.39)	-	(484.35)						(2,002.48)
Reclassification/Adjustments	-	(1.79)	(243.29)	-	(0.75)	-	-	(6.05)	-	-	-						(251.88)
<b>Accumulated Depreciation as at March 31 2022</b>	<b>-</b>	<b>3,420.28</b>	<b>4,913.79</b>	<b>1.80</b>	<b>2,090.79</b>	<b>623.54</b>	<b>2,049.53</b>	<b>1,280.26</b>	<b>524.65</b>	<b>305.82</b>	<b>4.92</b>						<b>15,215.38</b>
<b>Net Block as at March 31 2022</b>	<b>2,428.49</b>	<b>25,733.56</b>	<b>15,755.03</b>	<b>88.34</b>	<b>1,920.33</b>	<b>767.05</b>	<b>633.30</b>	<b>1,498.79</b>	<b>227.46</b>	<b>308.62</b>	<b>347.00</b>						<b>49,707.97</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

FY 2020-21 Particulars	Property, Plant and Equipment											Total	
	Land - Freehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles		
<b>Gross Block</b>													
Balance as at 1 April 2020	2,428.49	26,154.52	19,898.45	53.21	3,536.63	1,163.32	2,327.25	2,280.23	724.74	614.44	367.83	59,549.11	
Additions	-	1,315.45	646.73	78.30	443.51	82.31	138.62	189.26	8.47	-	482.59	3,385.24	
Disposal of assets	-	-	(82.12)	(7.66)	(23.74)	(7.82)	(54.71)	(0.90)	-	-	(29.65)	(206.60)	
Reclassification/Adjustments*	-	67.42	-	-	-	-	-	-	-	-	-	67.42	
<b>Gross Block as at March 31 2021</b>	<b>2,428.49</b>	<b>27,537.39</b>	<b>20,463.06</b>	<b>123.85</b>	<b>3,956.40</b>	<b>1,237.81</b>	<b>2,411.16</b>	<b>2,468.59</b>	<b>733.21</b>	<b>614.44</b>	<b>820.77</b>	<b>62,795.17</b>	
<b>Accumulated depreciation</b>													
Balance as at 1 April 2020	-	2,098.12	4,131.18	10.54	1,575.67	402.34	1,529.62	867.30	385.37	163.64	301.11	11,464.89	
Depreciation charge for the year	-	649.71	966.64	13.67	399.29	132.11	355.49	240.10	72.38	71.10	102.27	3,002.76	
Disposal of assets	-	-	(49.86)	(7.67)	(22.28)	(7.73)	(54.07)	(0.88)	-	-	(27.45)	(169.94)	
Reclassification/Adjustments*	-	3.25	(1.71)	-	-	-	-	-	-	-	-	1.54	
<b>Accumulated Depreciation as at March 31 2021</b>	<b>-</b>	<b>2,751.08</b>	<b>5,046.25</b>	<b>16.54</b>	<b>1,952.68</b>	<b>526.72</b>	<b>1,831.04</b>	<b>1,106.52</b>	<b>457.75</b>	<b>234.74</b>	<b>375.93</b>	<b>14,299.24</b>	
<b>Net Block as at March 31 2021</b>	<b>2,428.49</b>	<b>24,786.31</b>	<b>15,416.81</b>	<b>107.31</b>	<b>2,003.72</b>	<b>711.09</b>	<b>580.12</b>	<b>1,362.07</b>	<b>275.46</b>	<b>379.70</b>	<b>444.84</b>	<b>48,495.93</b>	

\* Reclassification on Account of transfer from Investment of Property to Property, Plant & Equipments owing to change in the usage of the property.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No 3.

Right of Use Assets

(₹ in Lakhs)

Particulars	Right of Use Assets				Total
	Land - Leasehold	Buildings	Plant & Machinery	Electrical Equipments	
<b>Gross Block</b>					
Balance as at 1 April 2020	3,249.81	5,491.03	1,096.88	30.85	9,868.58
Additions	513.07	566.43	704.05	28.54	1,812.09
Disposal/Deletion/Adjustment/Retirement	-	(242.36)	(422.84)	-	(665.20)
<b>Gross Block as at Mar 31 2021</b>	<b>3,762.88</b>	<b>5,815.10</b>	<b>1,378.09</b>	<b>59.39</b>	<b>11,015.47</b>
Additions	359.94	35.54	763.97	23.34	1,182.79
Disposal/Deletion/Adjustment/Retirement	-	(69.31)	-	(31.17)	(100.48)
<b>Gross Block as at Mar 31 2022</b>	<b>4,122.82</b>	<b>5,781.33</b>	<b>2,142.06</b>	<b>51.56</b>	<b>12,097.78</b>
<b>Accumulated depreciation</b>					
Balance as at 1 April 2020	316.54	736.21	616.33	22.52	1,691.60
Depreciation charge for the year	73.95	693.44	638.40	14.96	1,420.75
Disposal/Deletion/Adjustment/Retirement	-	(96.05)	(425.95)	-	(522.00)
<b>Accumulated Depreciation as at Mar 31 2021</b>	<b>390.49</b>	<b>1,333.60</b>	<b>828.78</b>	<b>37.48</b>	<b>2,590.35</b>
Depreciation charge for the year	82.93	650.09	633.29	24.66	1,390.97
Disposal/Deletion/Adjustment/Retirement	-	(49.51)	(0.08)	(31.17)	(80.76)
<b>Accumulated Depreciation as at Mar 31 2022</b>	<b>473.42</b>	<b>1,934.18</b>	<b>1,461.99</b>	<b>30.97</b>	<b>3,900.56</b>
<b>Net Block as at Mar 31 2022</b>	<b>3,649.40</b>	<b>3,847.15</b>	<b>680.07</b>	<b>20.59</b>	<b>8,197.22</b>
<b>Net Block as at Mar 31 2021</b>	<b>3,372.39</b>	<b>4,481.50</b>	<b>549.31</b>	<b>21.91</b>	<b>8,425.12</b>

Note No 4.

Investment Properties

(₹ in Lakhs)

Particulars

Gross Carrying Amount (Deemed Cost)

As at 1 April 2020

Additions

Disposals/adjustments

Net Investment Property - Reclassified

Balance as at 31 March 2021

Additions

Disposals/adjustments

Net Investment Property - Reclassified

Balance as at 31 March 2022

Accumulated Depreciation

As at 1 April 2020

Depreciation charge for the year

Disposals/adjustments for the year

Investment Property - Reclassified

As at 31 March 2021

Depreciation charge for the year

Disposals/adjustments for the year

Investment Property - Reclassified

Balance as at 31 March 2022

Net Book Value as at 31 March 2022

Net Book Value as at 31 March 2021

118.27

-

-

(67.42)

50.85

-

-

-

50.85

9.75

2.19

-

(3.19)

8.75

2.36

-

-

11.11

39.74

42.11

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**(i) Contractual obligations**

There is no contractual commitment for the acquisition of Investment Property.

**(ii) Capitalised borrowing cost**

No borrowing costs were capitalised during the year ended 31 March 2022 or previous year ended 31 March 2021.

**(iii) Restrictions**

There are no restrictions on remittance of income receipts or receipt of proceeds from disposals.

**(iv) Amount recognised in profit and loss for investment properties**

(₹ in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental income	160.11	170.18
Less: Direct operating expenses that generated rental income	7.97	16.80
Less: Direct operating expenses that did not generate rental income	28.69	28.80
<b>Profit/ (Loss) from leasing of investment properties</b>	<b>123.45</b>	<b>124.58</b>

**(v) Leasing arrangements**

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

**(vi) Fair value**

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Fair value</b>	<b>2,314.38</b>	<b>2,207.62</b>

The Company obtains independent valuations for its investment properties at least annually. The fair value of investment property (as measured for disclosure purpose in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

**Note No. 5**

**Intangible Assets**

(₹ in Lakhs)

Particulars	Softwares	Brand Value	Total
<b>Gross Carrying Amount</b>			
Balance as at 1 April 2020	771.92	332.63	1,104.55
Additions	153.56	-	153.56
Disposals/adjustments	3.85	-	3.85
<b>Balance as at 31 March 2021</b>	<b>929.33</b>	<b>332.63</b>	<b>1,261.96</b>
Additions	77.27	-	77.27
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,006.60</b>	<b>332.63</b>	<b>1,339.23</b>
<b>Accumulated Amortisation</b>			
Balance as at 1 April 2020	639.18	190.00	829.18
Amortization charge for the year	95.01	38.00	133.01
Disposals/adjustments for the year	3.84	-	3.84
<b>Balance as at 31 March 2021</b>	<b>738.03</b>	<b>228.00</b>	<b>966.03</b>
Amortization charge for the year	71.74	38.00	109.74
Disposals/adjustments for the year	-	-	-
<b>Balance as at 31 March 2022</b>	<b>809.77</b>	<b>266.00</b>	<b>1,075.77</b>
<b>Net Book Value as at 31 March 2022</b>	<b>196.83</b>	<b>66.63</b>	<b>263.46</b>
<b>Net Book Value as at 31 March 2021</b>	<b>191.30</b>	<b>104.63</b>	<b>295.93</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**
**Note No. 6**
**Financial Assets-Investments (Non-Current)**

(Unquoted, unless otherwise stated)

(₹ in Lakhs)

Name of the Body Corporate	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Amount	No of Shares	Amount
<b>(A) Trade Investments</b>				
<b><u>Investment in Equity Instruments</u></b>				
<b><u>(Fully paid stated at Cost)</u></b>				
<b>(i) <u>In Joint Venture Companies</u></b>				
Balmer Lawrie -Van Leer Ltd. (Ordinary Equity Shares of ₹10 each)	86,01,277	3,385.03	86,01,277	3,385.03
Transafe Services Ltd.* (Ordinary Equity Shares of ₹10 each)	1,13,61,999	1,165.12	1,13,61,999	1,165.12
Less: Provision for diminution in value		(1,165.12)		(1,165.12)
Balmer Lawrie (UAE) LLC (Ordinary Equity Shares of AED 1,000 each)	9,800	890.99	9,800	890.99
PT. BALMER LAWRIE INDONESIA (Equity Shares of par value of Indonesian Rupiah (IDR) 10,000 each)	20,00,000	1,027.32	20,00,000	1,027.32
Less: Provision for diminution in value		(1,027.32)		(1,027.32)
<b>(ii) <u>In Subsidiary Companies</u></b>				
Balmer Lawrie (UK) Ltd.* (Ordinary Equity Shares of GBP 1 each)	-	-	100	0.06
Visakhapatnam Port Logistics Park Ltd. (Ordinary Equity Shares of ₹10 each)	8,10,38,978	8,103.90	8,10,38,978	8,103.90
<b>(iii) <u>In Associate Company</u></b>				
AVI-OIL India (P) Ltd. (Ordinary Equity Shares of ₹10 each)	45,00,000	450.00	45,00,000	450.00
<b><u>Investments in Preference Shares</u></b>				
<b><u>(Fully paid stated at Cost)</u></b>				
Transafe Services Ltd.* (Cumulative Redeemable Preference Shares of ₹10 each)	1,33,00,000	1,330.00	1,33,00,000	1,330.00
Less: Provision for diminution in value		(1,330.00)		(1,330.00)
<b>Sub Total</b>		<b>12,829.92</b>		<b>12,829.98</b>
<b>(B) <u>Other Investments</u></b>				
<b>(Fully paid stated at Cost)</b>				
Bridge & Roof Co. (India) Ltd. (Ordinary Equity Shares of ₹10 each)	3,57,591	14.01	3,57,591	14.01
Biecco Lawrie Ltd. (Ordinary Equity Shares of ₹10 each)	1,95,900	-	1,95,900	-
(Carried in books at a value of ₹1 only), net of Provision for diminution in value				
RC Hobbytech Solutions Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 1 each) of ₹1350 each including premium)	10,000	135.00	4,444	59.99
Add: New Investments made	-	-	5,556	75.01
Less: Shares Sold	-	-	-	-
Less: Transferred to Incubator	(1,111)	(15.00)	-	-
	8,889	120.00	10,000	135.00
Kanpur Flowercycling Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 10 each) of ₹ 9592 each including premium)	-	-	479	45.95
Add: New Investments made	-	-	-	-
Less: Shares Sold	-	-	(479)	(45.95)
Less: Transferred to Incubator	-	-	-	-
	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Name of the Body Corporate	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Amount	No of Shares	Amount
Ramprasad Meena Technologies Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 10 each) of ₹2360 each including premium)				
Add: New Investments made	1,059	24.99	-	-
Less: Shares Sold	-	-	-	-
Less: Transferred to Incubator	-	-	-	-
	<b>1,059</b>	<b>24.99</b>	-	-
Woodlands Multispeciality Hospitals Ltd. (Ordinary Equity Shares of ₹10 each)	8,850	0.45	8,850	0.45
<b>Sub Total</b>		<b>159.45</b>		<b>149.46</b>
<b>Total</b>		<b>12,989.37</b>		<b>12,979.44</b>
<b>Aggregate amount of quoted investments at Cost</b>		-		-
<b>Aggregate amount of unquoted investments at Cost</b>		<b>12,989.37</b>		<b>12,979.44</b>
<b>Total</b>		<b>12,989.37</b>		<b>12,979.44</b>

\* Refer details given in Note No. 42.19 of the notes to accounts for the year.

### Note No. 7

#### Financial Assets- Loans (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Secured considered good		
Other Loans	181.86	199.32
Unsecured Considered Doubtful		
Other Loans	43.52	24.92
Provision for doubtful Loans		
Other Loans	(43.52)	(24.92)
<b>Total</b>	<b>181.86</b>	<b>199.32</b>

### Note No. 8

#### Financial Assets- Others (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Unsecured considered good		
Other Receivables	8.53	37.28
<b>Total</b>	<b>8.53</b>	<b>37.28</b>

### Note No. 9

#### Deferred Tax Liabilities

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Deferred Tax Liability arising on account of :</b>		
Property, Plant and Equipment	(5,513.41)	(4,904.39)
<b>Deferred Tax Asset arising on account of :</b>		
Adjustment for VRS expenditure	87.16	116.22
Provision for loans, debts, deposits & advances	1,057.67	1,031.66
Defined benefit plans	2,073.85	1,342.72
Provision for Inventory	86.35	98.89
Provision for dimunition in investments	593.29	593.29
<b>Total</b>	<b>(1,615.09)</b>	<b>(1,721.61)</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**Movement in Deferred Tax (Liabilities)/ Assets**

(₹ in Lakhs)

Particulars	As at 31 March 2021	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2022
Property, Plant and Equipment	(4,904.39)	(609.02)	-	(5,513.41)
Adjustment for VRS expenditure	116.22	(29.06)	-	87.16
Provision for loans, debts, deposits & advances	1,031.66	26.01	-	1,057.67
Defined benefit plans	1,342.72	459.61	271.52	2,073.85
Provision for Inventory	98.89	(12.54)	-	86.35
Provision for dimunition in investment	593.29	-	-	593.29
<b>Total</b>	<b>(1,721.61)</b>	<b>(165.00)</b>	<b>71.52</b>	<b>1,615.09</b>

**Note No. 10**

**Non Financial Assets - Others (Non - Current)**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Capital Advances	18.25	20.08
Advances other than Capital Advances		
Security Deposits	701.45	666.20
Balances with Government Authorities	274.95	173.12
Prepaid Expenses	14.51	17.29
Others	34.92	46.64
<b>Total</b>	<b>1,044.08</b>	<b>923.33</b>

**Note No. 11**

**Inventories**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Raw Materials and Components	14,202.51	10,693.83
Goods-in-transit	24.80	-
Slow moving & non moving	93.26	162.58
Less: Adjustment for slow moving & non moving	(70.03)	(123.22)
<b>Total - Raw Materials and Components</b>	<b>14,250.54</b>	<b>10,733.19</b>
Work in Progress	1,191.15	974.78
Slow moving & non moving	0.43	-
Less: Adjustment for slow moving & non moving	(0.21)	-
<b>Total - Work in Progress</b>	<b>1,191.37</b>	<b>974.78</b>
Finished Goods	3,607.16	3,298.76
Goods-in transit	157.77	220.20
Slow moving & non moving	94.96	100.03
Less: Adjustment for slow moving & non moving	(59.27)	(70.52)
<b>Total - Finished Goods</b>	<b>3,800.62</b>	<b>3,548.47</b>
Stores and Spares	780.95	662.91
Slow moving & non moving	284.87	293.63
Less: Adjustment for slow moving & non moving	(213.56)	(199.19)
<b>Total - Stores and Spares</b>	<b>852.26</b>	<b>757.35</b>
<b>Total</b>	<b>20,094.79</b>	<b>16,013.79</b>

[Refer to Point No.1.5 of "Significant Accounting Policies" for method of valuaion of inventories]



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### Note No. 12

#### Trade Receivables

	As at 31 March 2022	As at 31 March 2021
Considered good- Unsecured	31,388.70	28,891.28
Trade Receivables- credit impaired	1,743.92	1,443.84
Less: Provision for Impairment	(1,743.92)	(1,443.84)
<b>Grand Total</b>	<b>31,388.70</b>	<b>28,891.28</b>
<b>Trade receivables outstanding for a period less than six months</b>		
Considered good- Unsecured	29,891.34	27,126.64
Trade Receivables- Credit Impaired	242.06	153.44
Less: Provision for Impairment	(242.06)	(153.44)
<b>Sub Total</b>	<b>29,891.34</b>	<b>27,126.64</b>
<b>Trade receivables outstanding for a period exceeding six months</b>		
Considered good- Unsecured	1,497.36	1,764.64
Trade Receivables- Credit Impaired	1,501.86	1,290.40
Less: Provision for Impairment	(1,501.86)	(1,290.40)
<b>Sub Total</b>	<b>1,497.36</b>	<b>1,764.64</b>
<b>Total</b>	<b>31,388.70</b>	<b>28,891.28</b>

#### Trade Receivables ageing schedule as at 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	29,891.34	740.78	451.56	306.33	(1.31)	31,388.70
Undisputed Trade Receivables – credit impaired	242.06	-	-	18.13	883.02	1,143.21
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	600.71	600.71

#### Trade Receivables ageing schedule as at 31st March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	27,126.64	814.20	534.19	303.46	112.79	28,891.28
Undisputed Trade Receivables – credit impaired	153.44	0.03	3.24	5.82	597.90	760.43
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	683.41	683.41

### Note No. 13

#### Cash and Cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash in hand	2.33	0.79
Balances with Banks - Current Account	4,691.92	3,474.66
<b>Total</b>	<b>4,694.25</b>	<b>3,475.45</b>

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

### Note No. 14

#### Other Bank Balances

	As at 31 March 2022	As at 31 March 2021
Unclaimed Dividend Accounts	533.61	505.37
Bank Term Deposits	36,224.68	49,077.77
Margin Money deposit with Banks	100.59	94.02
<b>Total</b>	<b>36,858.88</b>	<b>49,677.16</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**
**Note No. 15**
**Financial Assets - Loans (Current)**

	As at 31 March 2022	As at 31 March 2021
Loans		
Loans Receivables Considered good- Secured		
Loans (to employees)	84.71	76.65
Loans and advances Considered good- Unsecured		
Advances to Related Parties *		
Balmer Lawrie Investments Ltd.	17.35	41.56
PT. Balmer Lawrie Indonesia	26.02	28.53
Balmer Lawrie Van Leer Ltd.	0.36	0.31
Visakhapatnam Port Logistics Park Ltd	0.12	230.51
Balmer Lawrie UAE LLC	58.97	57.20
	<b>102.82</b>	358.11
Other Advances (to employees)	28.12	32.69
Other Loans and advances	650.98	711.36
Advances to Related Parties * - Considered Doubtful	414.54	160.36
Less: Provision thereof	(414.54)	(160.36)
<b>Total</b>	<b>866.63</b>	<b>1,178.81</b>

\* Advances to Related Parties are in the course of regular business transactions.

(a) Loans or advances in the nature of loans that are repayable on demand

Type of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMP's	-	-	-	-
Related parties	-	-	-	-

(b) Loans or advances in the nature of loans that are without specifying any terms or period of repayment

Type of Borrower	As at 31 March 2022		As at 31 March 2021	
	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of Loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMP's	-	-	-	-
Related parties	102.82	11.86%	358.11	30.38%

**Note No. 16**
**Other Financial Assets (Current)**

	As at 31 March 2022	As at 31 March 2021
Unsecured		
Accrued Income	2,674.08	1,898.14
Security Deposits	873.78	666.96
Other Receivables -Considered Good	17,363.97	9,756.58
Other Receivables - Considered Doubtful	1,265.65	1,684.42
Less: Provision for doubtful other receivables	(1,265.65)	(1,684.42)
<b>Total</b>	<b>20,911.83</b>	<b>12,321.68</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### Note No. 17

#### Non Financial Assets (Current)

	As at 31 March 2022	As at 31 March 2021
Balance with Government Authorities	2,340.25	3,028.66
Prepaid Expenses	1,149.19	689.10
Advance to Contractors & Suppliers-Considered Good	1,275.69	1,279.66
Advance to Contractors & Suppliers - Considered Doubtful	806.14	802.23
Less: Provision for Doubtful Advances to Contractors & Suppliers	(806.14)	(802.23)
Others	1,426.11	1,302.72
<b>Total</b>	<b>6,191.24</b>	<b>6,300.14</b>

### Note No. 18

#### Equity Share Capital

	As at 31 March 2022	As at 31 March 2021
<b>Authorised Capital</b>	<b>30,000.00</b>	<b>30,000.00</b>
300,000,000 (Previous period 300,000,000) equity shares of ₹ 10 each	30,000.00	30,000.00
<b>Issued and Subscribed Capital</b>	<b>17,100.38</b>	<b>17,100.38</b>
171,003,846 (Previous period 171,003,846) equity shares of ₹ 10 each	17,100.38	17,100.38
<b>Paid-up Capital</b>	<b>17,100.38</b>	<b>17,100.38</b>
171,003,846 (Previous period 171,003,846) equity shares of ₹ 10 each	17,100.38	17,100.38

#### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2022		As at 31 March 2021	
	No of shares	Amount (₹ in Lakhs)	No of shares	Amount (₹ in Lakhs)
Equity shares at the beginning of the year	17,10,03,846	17,100.38	17,10,03,846	17,100.38
<b>Equity shares at the end of the year</b>	<b>17,10,03,846</b>	<b>17,100.38</b>	<b>17,10,03,846</b>	<b>17,100.38</b>

#### b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### c) Details of shareholders holding more than 5% shares in the Company (equity shares of ₹10 each, fully paid up)

Particulars of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	No of shares	% holding	No of shares	% holding
<b>Balmer Lawrie Investments Ltd.</b>	<b>10,56,79,350</b>	<b>61.80%</b>	<b>10,56,79,350</b>	<b>61.80%</b>

i) There are no other shareholders holding 5% or more in the issued share capital of the Company.

#### d) Details of Shareholding of Promoters is as under

Sl. No	Shares held by promoters as at 31 March 2022			
	Promoter name	No. of Shares	% of total shares	% Change during the year
01	N.A.	NIL	NIL	NIL
<b>Total</b>	<b>N.A.</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

Sl. No	Shares held by promoters as at 31 March 2021			
	Promoter name	No. of Shares	% of total shares	% Change during the year
01	N.A.	NIL	NIL	NIL
<b>Total</b>	<b>N.A.</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

**Note No. 19**  
**Other Equity**

	As at 31 March 2022	As at 31 March 2021
		(₹ in Lakhs)
Securities Premium	3,626.77	3,626.77
General Reserve	29,903.69	29,903.69
Retained Earnings	83,188.81	81,168.39
Other Comprehensive Income Reserve (OCI)	(1,833.75)	(1,026.45)
<b>Total (Other Equity)</b>	<b>1,14,885.52</b>	<b>1,13,672.40</b>
	As at 31 March 2022	As at 31 March 2021
<b>Securities Premium</b>		
Opening balance	3,626.77	3,626.77
<b>Sub Total (A)</b>	<b>3,626.77</b>	<b>3,626.77</b>
<b>General Reserve</b>		
Opening balance	29,903.69	29,903.69
<b>Sub Total (B)</b>	<b>29,903.69</b>	<b>29,903.69</b>
<b>Retained Earnings</b>		
Opening balance	81,168.39	82,348.58
Add : Net Profit for the period	11,473.35	11,631.33
Less : Appropriations		
Dividend Paid	(10,260.23)	(12,825.29)
Re-measurement Gain/(Loss)	807.30	13.77
<b>Net surplus in Retained Earnings (C)</b>	<b>83,188.81</b>	<b>81,168.39</b>
<b>Other Comprehensive Income Reserve (OCI)</b>		
Opening balance	(1,026.45)	(1,012.68)
Movement during the year	(807.30)	(13.77)
<b>Sub Total (D)</b>	<b>(1,833.75)</b>	<b>(1,026.45)</b>
<b>Total Other Equity (A+B+C+D)</b>	<b>1,14,885.52</b>	<b>1,13,672.40</b>

**Note No. 20**  
**Financial Liabilities (Non-Current)**

	As at 31 March 2022	As at 31 March 2021
		(₹ in Lakhs)
Borrowings (Term Loan from Bank)- Secured*	-	292.88
Deposits- Unsecured	11.56	17.50
<b>Total</b>	<b>11.56</b>	<b>310.38</b>

- (i) \*Borrowings- The Company has availed Term Loan of ₹15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The loan was repayable in 12 half yearly equal instalments starting from 18 months from the date of 1st withdrawl ie 31.08.2017. However, the said loan was fully repaid by the Company during the current year.
- (ii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Note No. 21**  
**Provisions (Non - Current)**

	As at 31 March 2022	As at 31 March 2021
		(₹ in Lakhs)
Actuarial Provision for employee benefits	3,470.99	2,987.73
Other Long Term Provisions	3,504.13	2,284.05
<b>Total</b>	<b>6,975.12</b>	<b>5,271.78</b>

## Note No. 22

### Non Financial Liabilities- Others (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance from Customers	1.00	4.55
Deferred Gain/Income	491.24	379.74
Others	0.15	1.62
<b>Total</b>	<b>492.39</b>	<b>385.91</b>

## Note No. 23

### Current Liabilities

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Borrowings- Secured</b>		
Current Maturities of Long Term Borrowings	-	203.65
<b>Trade Payables</b>		
<b>Unsecured</b>		
Payable to micro and small enterprises	789.53	818.15
Other Trade Payables	26,460.97	26,253.46
<b>Sub Total (Trade Payables)</b>	<b>27,250.50</b>	<b>27,071.61</b>
<b>Total</b>	<b>27,250.50</b>	<b>27,275.26</b>

### Trade Payables ageing schedule as at 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	789.53	-	-	-	789.53
(ii) Others	25,119.33	455.99	(153.61)	655.64	26,077.35
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	2.24	81.65	299.73	383.62

### Trade Payables ageing schedule as at 31st March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	816.65	1.50	-	-	818.15
(ii) Others	23,485.72	749.33	112.70	1,352.17	25,699.92
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	92.07	81.15	4.87	375.45	553.54

## Note No. 24

### Other Financial Liabilities (Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Unclaimed Dividend*	533.61	505.37
Security Deposits	2,593.49	3,090.92
Other Liabilities	9,545.73	9,215.72
<b>Total</b>	<b>12,672.83</b>	<b>12,812.01</b>

\* There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

## Note No. 25

### Non Financial Liabilities -Others (Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance from Customers	820.19	636.32
Statutory Dues	1,727.02	2,209.05
Deferred Gain/Income	45.03	1.64
Other Liabilities	3,606.36	4,878.84
<b>Total</b>	<b>6,198.60</b>	<b>7,725.85</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**Note No. 26**

**Current Provisions**

	As at 31 March 2022	As at 31 March 2021
Provision for Employee benefits		
Actuarial Provisions for employee benefits	731.46	545.01
Other Short term Provisions	1,221.45	136.38
<b>Total</b>	<b>1,952.91</b>	<b>681.39</b>

**Note No. 27**

**Current Tax Liabilities**

	As at 31 March 2022	As at 31 March 2021
Provision for Tax (Net of advance)	2,649.60	2,549.22
<b>Total</b>	<b>2,649.60</b>	<b>2,549.22</b>

**Note No. 28**

**Revenue from Operations**

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of Products	1,27,728.95	86,332.39
Sale of Services	69,500.28	60,470.05
Sale of Trading Goods	633.72	364.43
Other Operating Income	6,382.36	5,043.10
<b>Total</b>	<b>2,04,245.31</b>	<b>1,52,209.97</b>

**Note No. 29**

**Other Income**

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest Income		
Bank Deposits	1,692.62	2,560.36
Interest on Income Tax refund	-	281.83
Others	104.80	103.50
Sub Total - Interest Income	<b>1,797.42</b>	<b>2,945.69</b>
Dividend Income	<b>2,515.78</b>	<b>2,128.65</b>
Other Non-operating Income		
Profit on Disposal of Fixed assets	358.17	15.77
Profit on Disposal of Investments	-	49.20
Unclaimed balances and excess provision written back	866.11	1,526.17
Gain on Foreign Currency Transactions (Net)	102.03	-
Miscellaneous Income	600.15	401.34
Sub Total - Other Non-operating Income	<b>1,926.46</b>	<b>1,992.48</b>
<b>Total</b>	<b>6,239.66</b>	<b>7,066.82</b>

**Note No. 30**

**Cost of Materials Consumed & Services Rendered**

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of Materials Consumed	96,445.84	59,587.02
Cost of Services Rendered	46,251.10	38,774.82
<b>Total</b>	<b>1,42,696.94</b>	<b>98,361.84</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### Note No. 31

#### Purchase of Trading Goods

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Trading Goods	1,276.51	359.93
<b>Total</b>	<b>1,276.51</b>	<b>359.93</b>

### Note No. 32

#### Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Change in Finished Goods		
Opening	3,548.47	3,379.72
Closing	3,800.62	3,548.47
Change	(252.15)	(168.75)
Change in Work In Progress		
Opening	974.78	1,177.56
Closing	1,191.37	974.78
Change	(216.59)	202.78
<b>Total</b>	<b>(468.74)</b>	<b>34.03</b>

### Note No. 33

#### Employee Benefits Expenses

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and Incentives	18,456.25	17,832.87
Contribution to Provident & Other Funds	2,108.34	2,204.08
Staff Welfare Expenses	2,130.53	1,722.88
<b>Total</b>	<b>22,695.12</b>	<b>21,759.83</b>

### Note No. 34

#### Finance Costs

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest	183.50	207.85
Bank Charges*	109.18	84.09
Interest Cost - Lease Liabilities	287.35	236.91
<b>Total</b>	<b>580.03</b>	<b>528.85</b>

\* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

### Note No. 35

#### Depreciation & Amortisation Expense

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on:		
Property, Plant & Equipment	3,170.49	3,002.76
Right of Use Assets	1,390.97	1,420.75
Investment Properties	2.36	2.19
Amortisation of Intangible Assets	109.74	133.01
<b>Total</b>	<b>4,673.56</b>	<b>4,558.71</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**
**Note No. 36**
**Other Expenses**

	For the year ended 31 March 2022	For the year ended 31 March 2021
		(₹ in Lakhs)
Manufacturing Expenses	1,782.34	1,592.57
Consumption of Stores and Spares	888.36	750.15
Repairs & Maintenance - Buildings	975.04	377.51
Repairs & Maintenance - Plant & Machinery	571.00	528.90
Repairs & Maintenance - Others	951.70	687.68
Power & Fuel	2,943.51	2,302.48
Electricity & Gas	367.99	370.56
Rent	771.69	712.87
Insurance	356.88	331.56
Packing, Despatching, Freight and Shipping Charges	5,117.53	4,373.32
Rates & Taxes	132.56	167.08
Auditors Remuneration and Expenses	28.06	27.62
Write off of Debts, Deposits, Loan & Advances	794.61	2,106.50
Provision for Doubtful Debts & Advances	853.11	956.08
Fixed Assets Written Off	14.63	1.37
Loss on Disposal of Fixed Assets	14.41	4.16
Selling Commission	350.84	352.52
Cash Discount	448.33	335.97
Travelling Expenses	481.96	315.99
Printing and Stationery	150.19	130.06
Motor Car Expenses	146.69	149.46
Communication Charges	285.86	423.03
Corporate Social Responsibility Expenditure	1,048.16	514.15
Loss on Foreign Currency Transactions (Net)	-	61.31
Miscellaneous Expenses	3,293.21	3,145.58
	<b>22,768.66</b>	<b>20,718.48</b>
Less: Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful earlier, now written back	<b>(751.56)</b>	<b>(2,709.85)</b>
<b>Total</b>	<b>22,017.10</b>	<b>18,008.63</b>

	For the year ended 31 March 2022	For the year ended 31 March 2021
		(₹ in Lakhs)
<b>Payment to Auditors as:</b>		
Statutory/ Branch Auditors	21.80	21.80
Tax Audit	1.15	1.00
Other Certification	3.72	3.30
Reimbursement of Expenses	1.39	1.52
<b>Total Payment to Auditors</b>	<b>28.06</b>	<b>27.62</b>

**Note No. 37**
**Tax Expense**

	For the year ended 31 March 2022	For the year ended 31 March 2021
		(₹ in Lakhs)
Current tax	4,568.80	3,880.00
Deferred tax	165.00	667.22
Previous years	-	(527.35)
<b>Total</b>	<b>4,733.80</b>	<b>4,019.87</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of **25.168%** (31 March 2021: 25.168%) and the reported tax expense in profit or loss are as follows:

<b>Accounting profit before income tax</b>	<b>17014.45</b>	15664.97
At country's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	<b>25.168%</b>	25.168%
Tax Expense	<b>4,282.20</b>	3,942.56
Adjustments in respect of current income tax		
Foreign Dividend Income, taxed at a different rate	<b>(161.66)</b>	(113.70)
Non-deductible expenses for tax purposes		
Provisions	<b>332.75</b>	(154.02)
CSR Expenses	<b>263.80</b>	129.40
VRS Expenses	<b>(29.06)</b>	116.22
Depreciation Difference including for ROU assets	<b>308.23</b>	209.98
Rental Expense on ROU Assets	<b>(340.94)</b>	(247.52)
Fixed assets written off and loss on disposals	<b>(86.52)</b>	(2.92)
Adjustments in respect of previous years income tax	<b>-</b>	(527.35)
<b>Total</b>	<b>4,568.80</b>	<b>3,352.65</b>

### Note No. 38 Other Comprehensive Income

	For the year ended 31 March 2022	For the year ended 31 March 2021
(₹ in Lakhs)		
<b>(A) Items that will not be reclassified to profit or loss</b>		
(i) Remeasurement gains/ (losses) on defined benefit plans	<b>(1,078.82)</b>	(18.40)
(ii) Income tax relating to items that will not be reclassified to profit or loss	<b>271.52</b>	4.63
<b>(B) Items that will be reclassified to profit or loss</b>		
(i) Items that will be reclassified to profit or loss	<b>-</b>	-
(ii) Income tax relating to items that will be reclassified to profit or loss	<b>-</b>	-
<b>Total</b>	<b>(807.30)</b>	<b>(13.77)</b>

### Note No. 39 Earnings per Equity Share

	For the year ended 31 March 2022	For the year ended 31 March 2021
(₹ in Lakhs except share data)		
<b>Net profit attributable to equity shareholders</b>		
Profit after tax	<b>12,280.65</b>	11,645.10
<b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b>	<b>12,280.65</b>	12,280.65
Nominal value per Equity Share (₹)	<b>10</b>	10
Weighted-average number of Equity Shares for EPS	<b>17,10,03,846</b>	17,10,03,846
<b>Basic/Diluted Earnings per Equity Share (₹)</b>	<b>7.18</b>	6.81

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Face value of the shares is ₹ 10.

### Note No. 40 Accounting for Employee Benefits

#### Defined Contribution Plans

The disclosures are made consequent to adoption of IND AS 19 on Employee Benefits, notified by the Ministry of Corporate Affairs, by the Company. Defined Benefit(s) Plans/ Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement Medical Benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain/loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1151.50 Lakhs (₹1169.18 Lakhs); Superannuation fund ₹ 698.61 Lakhs (₹691.82 Lakhs ) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 2.96 Lakhs (₹3.83 Lakhs).

**Defined Benefit Plans**

**Post Employment Benefit Plans**

**A. Gratuity**

The gratuity plan entitles an employee, who has rendered atleast five year of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the company by way of transfer of requisite amount to the fund named "Balmer Lawrie & Co. Ltd. Gratuity Fund".

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	5,559.44	5,635.99
Fair value of plan assets	6,162.94	7,244.85
<b>Net Defined Benefit Obligation</b>	<b>(603.50)</b>	<b>(1,608.86)</b>

(i) The movement of the Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Opening value of defined benefit obligation</b>	<b>5,635.99</b>	6,378.65
Add: Current service cost	390.47	366.17
Add: Current interest cost	345.55	388.47
Plan amendment : Vested portion at end of period (past service)	-	-
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	800.64	180.14
- changes in financial assumptions	86.74	(279.07)
Add: Acquisition Adjustment	-	-
Less: Benefits paid	(1,699.96)	(1,398.37)
<b>Closing value of defined benefit obligation thereof-</b>	<b>5,559.44</b>	5,635.99
<b>Unfunded</b>	<b>(603.50)</b>	<b>(1,608.86)</b>
<b>Funded</b>	<b>6,162.94</b>	7,244.85

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions:

Assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.22%	6.84%
Rate of increase in compensation levels/Salary growth rate	6.00%	5.00%
Expected average remaining working lives of employees (years)	12	12

(iii) The reconciliation of the plan assets held for the Company's defined benefit plan from beginning to end of reporting period is presented below:

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Opening balance of fair value of plan assets</b>	<b>7,244.85</b>	5,748.26
Add: Contribution by employer	150.00	2,397.18
Return on Plan Assets excluding Interest Income	(55.03)	104.60
Add: Interest income	523.08	393.18
Add: Acquisition Adjustment	-	-
Less: Benefits paid	(1,699.96)	(1,398.37)
<b>Closing balance of fair value of plan assets</b>	<b>6,162.94</b>	7,244.85

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

(iv) Expense related to the Company's defined benefit plans in respect of gratuity plan is as follows: (₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial (gain)/loss on obligations-changes in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-changes in financial assumptions	86.74	(279.07)
Actuarial (gain)/loss on obligations-Experience Adjustment	800.64	180.14
Return on Plan Assets excluding Interest Income	(55.03)	104.60
<b>Total expense/ (income) recognized in the statement of Other Comprehensive Income</b>	<b>942.41</b>	<b>(203.53)</b>

Amount recognised in the Statement of Profit & Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	390.47	366.17
Past service cost (vested)	-	-
Net Interest cost (Interest Cost-Expected return)	(177.53)	(4.70)
<b>Total expense recognized in the Statement of Profit &amp; Loss</b>	<b>212.94</b>	<b>361.47</b>

Amount recognised in Balance Sheet	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	5,559.44	5,635.99
<b>Classified as:</b>		
<b>Non-Current</b>	<b>4,356.26</b>	<b>4,615.27</b>
<b>Current</b>	<b>1,203.18</b>	<b>1,020.72</b>

	As at 31 March 2022	As at 31 March 2021
Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns. The return on plan assets was	468.05	497.78

(v) Plan assets do not comprise any of the Company's financial instruments or any assets used by the Company. Plan assets can be broken down into the following major categories of investments:

Particulars	As at 31 March 2022	As at 31 March 2021
Government of India securities/ State Government securities	56.82%	52.26%
Corporate Bonds	35.23%	40.43%
Others	7.95%	7.31%
<b>Total plan assets</b>	<b>100.00%</b>	<b>100.00%</b>

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in statement of comprehensive income.

**(vi) Sensitivity Analysis**

The significant actuarial assumption for the determination of defined benefit obligation in respect of gratuity plans is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation: (₹ in Lakhs)

Particulars	31 March 2022	
	Increase	Decrease
<b>Changes in discount rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,398.27	5,731.67
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(161.17)</b>	<b>172.23</b>
<b>Changes in salary growth rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,669.68	5,450.09
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>110.24</b>	<b>(109.35)</b>
<b>Changes in Attrition rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,559.88	5,558.99
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>0.44</b>	<b>(0.45)</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Particulars	31 March 2022	
	Increase	Decrease
<b>Changes in Mortality rate in %</b>	<b>10.00</b>	<b>10.00</b>
Defined benefit obligation after change	5,562.16	5,556.66
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>2.72</b>	<b>(2.78)</b>

Particulars	31 March 2021	
	Increase	Decrease
<b>Changes in discount rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,478.13	5,804.06
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(157.86)</b>	<b>168.07</b>
<b>Changes in salary growth rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,751.08	5,524.80
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>115.09</b>	<b>(111.19)</b>
<b>Changes in Attrition rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	5,636.56	5,635.43
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>0.57</b>	<b>(0.56)</b>
<b>Changes in Mortality rate in %</b>	<b>10.00</b>	<b>10.00</b>
Defined benefit obligation after change	5,639.04	5,632.95
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>3.05</b>	<b>(3.04)</b>

**B. Post Retirement Medical Benefits Scheme (Non-funded)**

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for eligible employees who superannuate after satisfactory long service and includes dependent spouse as per applicable rules.

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening value of defined benefit obligation</b>	<b>446.39</b>	422.92
Add: Current service cost	-	-
Add: Current interest cost	27.13	21.41
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	154.08	277.17
- changes in financial assumptions	(17.68)	(55.24)
Less: Benefits paid	(141.28)	(219.87)
<b>Closing value of defined benefit obligation thereof-</b>	<b>468.64</b>	446.39
<b>Unfunded</b>	<b>468.64</b>	446.39
<b>Funded</b>	<b>-</b>	-

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial (gain)/loss on obligations-change in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-change in financial assumptions	(17.68)	(55.24)
Actuarial (gain)/loss on obligations-Experience Adjustment	154.09	277.17
<b>Total expense/ (income) recognized in the statement of Other Comprehensive Income</b>	<b>136.41</b>	221.93

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	-	-
Net Interest cost (Interest Cost-Expected return)	27.13	21.41
<b>Total expense recognized in the statement of Profit &amp; Loss</b>	<b>27.13</b>	<b>21.41</b>

Assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.22%	6.84%
Superannuation age	60	60
Early retirement & disablement	0.10%	0.10%

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	468.64	446.39
<b>Classified as:</b>		
<b>Non-Current</b>	<b>384.47</b>	<b>382.17</b>
<b>Current</b>	<b>84.17</b>	<b>64.22</b>

**Sensitivity Analysis**

(₹ in Lakhs)

Particulars	31 March 2022	
	Increase	Decrease
<b>Changes in Discount rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	446.50	492.07
Original defined benefit obligation	468.64	468.64
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(22.14)</b>	<b>23.44</b>
<b>Changes in Mortality rate in %</b>	<b>10.00</b>	<b>10.00</b>
Defined benefit obligation after change	456.93	480.36
Original defined benefit obligation	468.64	468.64
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(11.71)</b>	<b>11.72</b>

(₹ in Lakhs)

Particulars	31 March 2021	
	Increase	Decrease
<b>Changes in Discount rate in %</b>	<b>0.50</b>	<b>0.50</b>
Defined benefit obligation after change	431.66	459.56
Original defined benefit obligation	446.39	446.39
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(14.73)</b>	<b>13.17</b>
<b>Changes in Mortality rate in %</b>	<b>10.00</b>	<b>10.00</b>
Defined benefit obligation after change	436.79	453.62
Original defined benefit obligation	446.39	446.39
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(9.60)</b>	<b>7.23</b>

**C. Other Long Term Benefit Plans**
**Leave Encashment (Non-funded), Long Service Award (Non-funded) and Half Pay Leave (Non-funded)**

The Company provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. An amount of ₹ 511.07 Lakhs (₹818.62 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Leave Encashment (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	431.99	292.49
Non Current	1,942.02	1,570.45

Long Service Award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 year of service and thereafter every 5 year of completed service. An amount of ₹ 18.51 Lakhs [₹62.12 Lakhs] has been recognised in the Statement of Profit and Loss

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Long Service Award (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	61.61	69.23
Non Current	382.01	355.88

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of Lakhs ₹117.89 Lakhs (- ₹260.40 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Half Pay Leave (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	153.69	119.07
Non Current	762.49	679.22

**Note No. 41**  
**Leases**

(₹ in Lakhs)

(i) Amounts recognised in Balance Sheet

Right of Use Liability Particulars	As at 31 March 2022					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Current	38.20	481.00	207.58	15.46	-	742.24
Non Current	427.48	1,027.88	494.65	6.72	-	1,956.73
<b>Total</b>	<b>465.68</b>	<b>1,508.88</b>	<b>702.23</b>	<b>22.18</b>	<b>-</b>	<b>2,698.97</b>

(₹ in Lakhs)

Right of Use Liability Particulars	As at 31 March 2021					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Current	35.51	526.23	297.24	8.99	-	867.97
Non Current	422.46	1,396.90	260.11	13.76	-	2,093.23
<b>Total</b>	<b>457.97</b>	<b>1,923.13</b>	<b>557.35</b>	<b>22.75</b>	<b>-</b>	<b>2,961.20</b>

(ii) Reconciliation of Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Opening Balance of Right of Use Lease Liabilities	457.97	1,923.13	557.35	22.75	-	2,961.20
Add: Additions during the year		35.53	767.14	23.35	-	826.02
Add: Interest Expenses on lease liabilities	46.00	169.17	69.90	2.28	-	287.35
Less: Rental Expenses paid during the year	38.29	598.01	692.16	26.20	-	1,354.66
Less : Deletion for the period		20.94			-	20.94
<b>Total</b>	<b>465.68</b>	<b>1,508.88</b>	<b>702.23</b>	<b>22.18</b>	<b>-</b>	<b>2,698.97</b>

(₹ in Lakhs)

Particulars	As at 31 March 2021					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Opening Balance of Right of Use Lease Liabilities	-	1,826.31	500.47	8.34	-	2,335.12
Add: Additions during the year	454.16	575.29	528.19	28.54	-	1,586.18
Add: Interest Expenses on lease liabilities	28.68	176.01	28.96	3.26	-	236.91
Less: Rental Expenses paid during the year	24.87	567.61	377.94	17.39	-	987.81
Less : Deletion for the period	-	86.87	122.33	-	-	209.20
<b>Total</b>	<b>457.97</b>	<b>1,923.13</b>	<b>557.35</b>	<b>22.75</b>	<b>-</b>	<b>2,961.20</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**
**(iii) Maturity profile of the lease liabilities :**

(₹ in Lakhs)

Year ended March 31, 2022	Within 1 year	1-3 years	More than 3 years	Total
Lease liability	742.24	1,049.51	907.22	2,698.97

(₹ in Lakhs)

Year ended March 31, 2021	Within 1 year	1-3 years	More than 3 years	Total
Lease liability	867.97	1,152.41	940.82	2,961.20

**(iv) The following are the amounts recognised in the statement of profit and loss:**

(₹ in Lakhs)

Particulars	For the year ended 31 March 2022					
	Right of Use- Land Leasehold	Right of Use - Others				Total
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Depreciation expense of Right of Use assets	82.92	650.09	633.30	24.66	-	1,390.97
Interest expense on Lease Liabilities	46.00	169.17	69.90	2.28	-	287.35
Rent expense in term of short term leases/ low value leases	-	197.93	94.77	-	-	292.70
<b>Total</b>	<b>128.92</b>	<b>1,017.19</b>	<b>797.97</b>	<b>26.94</b>	<b>-</b>	<b>1,971.02</b>

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021					
	Right of Use- Land Leasehold	Right of Use - Others				Total
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Depreciation expense of Right of Use assets	73.95	693.44	638.40	14.96	-	1,420.75
Interest expense on Lease Liabilities	28.68	176.01	28.96	3.26	-	236.91
Rent expense in term of short term leases/ low value leases	-	95.46	116.70	34.58	3.70	250.44
<b>Total</b>	<b>102.63</b>	<b>964.91</b>	<b>784.06</b>	<b>52.80</b>	<b>3.70</b>	<b>1,908.10</b>

**(v) Total cash outflow due to leases**

	As at 31 March 2022	As at 31 March 2021
Lease Rentals paid during the year	1,647.36	1,238.25

**(vi) Extension and termination options**

The Company has several lease contracts that include extension and termination options which are used for regular operations of its business. These options are negotiated by management to provide flexibility in managing the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

**Note 42 - Additional Disclosures**

- 42.1 (a) Conveyance deeds of certain leasehold land with written down value of ₹2,313.44 Lakhs (₹2,370.42 Lakhs) are pending registration/ mutation.
- (b) Conveyance deeds of certain buildings with written down value of ₹3,596.94 Lakhs (₹3,326.27 Lakhs) are pending registration/ mutation.
- (c) Certain buildings & sidings with written down value of ₹8,278.03 Lakhs (₹8,477.04 Lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port Trust have expired and are under renewal.
- 42.2 The details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company are as under:  
None of the title deed holder is a promoter, Director or relative of promoter/ director or employee of promoter/ director.  
The title deeds/ lease deeds are primarily held in the name of the company, except for a few properties, wherein the same are in the process of being registered or pending to be registered due to certain modalities. Details are as under:

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**(As on 31.03.2022)**

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
PPE- (a) Building (b) Land	Village Piyala, Ballabgarh, Asaoti, District-Faridabad	(a) 661.67 (b) 115.71	Company	October 1996	Photocopy of agreement.
Investment Properties-Building	Arya Bhavan, Graham Road, 5-J. N. Heredia Marg, Ballard Estate, Mumbai-400001	110.82	Lessor. However, the lease has expired.	February 1950	Copy of lease agreement. However, lease period has expired on 16.08.2018. The lessor has offered renewal of lease with fresh terms and conditions which are yet to be finalized.
PPE-Building	Ground Floor, Sadashiv Sadan, Tarun Bharat Society, Chakala, Andheri (East), Mumbai-400099	9.40	Company	March 1999	Original registration receipt. Photocopy of agreement.
PPE-Building	Building at Scope Complex, New Delhi	19.95	SCOPE, New Delhi	September 2003	Not yet registered in the name of the company. The company has purchased the property from SCOPE. However, the name is still not registered in the government records since SCOPE has some issues with L&D department of GOI.
PPE-Building	Building at Noida Housing Complex Buildings	37.47	Jointly with IOCL	December 2003	The company is holding the property jointly with IOCL.
PPE- (a) Building (b) Land	Container Freight Station, 32-Sathangadu Village, Thiruvottiyur, Manali Road, Chennai-600068	(a) 2346.42 (b) 509.21	Department of Revenue, Government of Tamil Nadu	March 2006	Non-conclusion of commercials by Government of Tamil Nadu.

**(As on 31.03.2021)**

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
PPE- (a) Building (b) Land	Village Piyala, Ballabgarh, Asaoti, District-Faridabad	(a) 642.13 (b) 115.71	Company	October 1996	Photocopy of agreement.
Investment Properties-Building	Arya Bhavan, Graham Road, 5-J. N. Heredia Marg, Ballard Estate, Mumbai-400001	110.82	Lessor. However, the lease has expired.	February 1950	Copy of lease agreement. However, lease period has expired on 16.08.2018. The lessor has offered renewal of lease with fresh terms and conditions which are yet to be finalized.
PPE-Building	Ground Floor, Sadashiv Sadan, Tarun Bharat Society, Chakala, Andheri (East), Mumbai-400099	9.40	Company	March 1999	Original registration receipt. Photocopy of agreement.
PPE-Building	Building at Scope Complex, New Delhi	19.95	SCOPE, New Delhi	September 2003	Not yet registered in the name of the company. The company has purchased the property from SCOPE. However, the name is still not registered in the government records since SCOPE has some issues with L&D department of GOI.
PPE-Building	Building at Noida Housing Complex Buildings	37.47	Jointly with IOCL	December 2003	The company is holding the property jointly with IOCL.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Property held since which date	Reason for not being held in the name of the company
PPE- (a) Building (b) Land	Container Freight Station, 32-Sathangadu Village, Thiruvottiyur, Manali Road, Chennai-600068	(a) 2343.47 (b) 509.21	Department of Revenue, Government of Tamil Nadu	March 2006	Non-conclusion of commercials by Government of Tamil Nadu.

**42.3 Contingent Liabilities as at 31<sup>st</sup> March, 2022 not provided for in the accounts are:**

- (a) Disputed demand for Excise Duty, Sales Tax, Service Tax, Cess and Income Tax, as applicable, amounting to ₹9,427.28 Lakhs (₹7,852.52 Lakhs) against which the Company has lodged appeals/petitions before appropriate authorities. Details of such disputed demands as on 31<sup>st</sup> March, 2022 are given in Annexure – A.
- (b) Claims against the company not acknowledged as debts amounts to ₹952.88 Lakhs (₹961.86 Lakhs) in respect of which the Company has lodged appeals/ petitions before appropriate authorities. In respect of employees/ ex-employees related disputes, financial effect is ascertainable on settlement.

**42.4** Counter guarantees given to Standard Chartered Bank, Bank of Baroda, Canara Bank, Yes Bank, Indusind Bank and Axis Bank and in respect of guarantees given by them amounts to ₹6,404.01 Lakhs (₹7,780.90 Lakhs).

**42.5** Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹268.89 Lakhs (₹441.98 Lakhs).

**42.6 Details of dues to Micro, Small and Medium Enterprises are as given below:**

- (a) The principal amount remaining unpaid to any supplier at the end of accounting year 2021-22 ₹789.53 Lakhs (₹818.15 Lakhs).
- (b) The interest due thereon remaining unpaid to any supplier at the end of accounting year 2021-22 ₹Nil (₹Nil).
- (c) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) during the accounting year 2021-22 ₹Nil (₹Nil).
- (d) The amount of payment made to the supplier beyond the appointed day during the accounting year 2021-22 ₹Nil (₹Nil).
- (e) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act during the accounting year 2021-22 ₹Nil (₹Nil).
- (f) The amount of interest accrued and remaining unpaid at the end of accounting year 2021-22 ₹Nil (₹Nil).
- (g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of MSMED Act for the year 2021-22 ₹Nil (₹Nil).

**42.7** The gross amount of exchange difference credited to the Statement of Profit & Loss is ₹221.36 Lakhs (₹122.96 Lakhs) and the gross amount of exchange difference debited to the Statement of Profit & Loss is ₹119.33 (₹184.27 Lakhs).

**42.8** Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.

**42.9 Remuneration of Chairman & Managing Director-C&MD, Whole time Directors-WTD and Company Secretary-CS:**

₹/ Lakhs

	2021-22	2020-21
Salaries	166.52	(189.81)
Contribution to Provident and Gratuity Fund	24.54	(28.07)
Perquisites	22.64	(22.42)
	<b>213.70</b>	<b>(240.30)</b>

**42.10 Auditors Remuneration and Expenses:**

₹/ Lakhs

Statutory Auditors	2021-22	2020-21
- Audit Fees	6.90	(6.90)
- Tax Audit Fees	1.15	(1.00)
- Other Capacity for Limited Review and other certification jobs	3.72	(3.30)
<b>Branch Auditors</b>		
- Audit Fees	14.90	(14.90)
- Expenses relating to audit of Accounts	1.39	(1.52)
	<b>28.06</b>	<b>(27.62)</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

42.11 (a) **Stock & Sale of Goods Manufactured (with own materials):**

₹/Lakhs

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	2,710.41 (2,463.48)	2,980.61 (2,710.41)	42,907.57 (30,485.04)
Barrels and Drums	487.83 (514.84)	440.71 (487.83)	77,484.77 (50,311.99)
Leather Auxiliaries	350.23 (401.40)	379.30 (350.23)	7,336.61 (5,535.36)
	<b>3,548.47</b> <b>(3,379.72)</b>	<b>3,800.62</b> <b>(3,548.47)</b>	<b>1,27,728.95</b> <b>(86,332.39)</b>

42.11 (b) **Work in Progress:**

	₹/Lakhs
Greases and Lubricating Oils	222.40 (227.14)
Barrels and Drums	801.46 (657.73)
Leather Auxiliaries	167.51 (89.91)
	<b>1,191.37</b> <b>(974.78)</b>

42.12 **Analysis of Raw Materials Consumed (excluding materials supplied by Customers):**

	₹/Lakhs
Steel	57,858.30 (34,165.64)
Lubricating Base Oils	20,296.86 (12,304.44)
Additives and other Chemicals	5,678.02 (3,756.15)
Vegetable and other Fats	3,043.07 (1,996.55)
Drum Closures	2,283.45 (1,665.77)
Paints	1,206.62 (953.26)
Paraffin Wax	1,519.21 (735.02)
Others	4,560.31 (4,010.19)
	<b>96,445.84</b> <b>(59,587.02)</b>

42.13 **Value of Raw Materials, Components and Spare Parts consumed:**

	2021-22		2020.21	
	₹/Lakhs	(%)	₹/Lakhs	(%)
<b>Raw Materials</b>				
Imported	1,033.22	1.07	(748.91)	(1.26)
Indigenous	95,412.62	98.93	(58,838.11)	(98.74)
	<b>96,445.84</b>	<b>100.00</b>	<b>(59,587.02)</b>	<b>(100.00)</b>
<b>Spare &amp; Components</b>				
Imported	16.71	1.88	(19.79)	(2.64)
Indigenous	871.65	98.12	(730.36)	(97.36)
	<b>888.36</b>	<b>100.00</b>	<b>(750.15)</b>	<b>(100.00)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 42.14 Purchase and Sale of Trading Goods:

₹/ Lakhs

Class of Goods	Purchase Value	Sale Value
Barrels	1,276.51 (25.83)	633.72 (30.33)
Speciality Containers	- (334.10)	- (334.10)
	<b>1,276.51</b> (359.93)	<b>633.72</b> (364.43)

### 42.15 (a) Value of Imports on C.I.F basis:

₹/ Lakhs

	2021-22	2020-21
Raw Materials	710.75	(472.33)
Components and Spare Parts	48.57	(54.27)
Capital Goods	53.44	(40.10)
	<b>812.76</b>	<b>(566.70)</b>

### 42.15(b) Expenditure in Foreign Currency:

₹/ Lakhs

	2021-22	2020-21
Services	13,635.00	(9,616.22)
Others	290.26	(158.33)
	<b>13,925.26</b>	<b>(9,774.55)</b>

### 42.15 (c) Earnings in Foreign Currency:

₹/ Lakhs

	2021-22	2020-21
Export of Goods and Components calculated on F.O.B basis as invoiced	2,562.03	(1,778.04)
Interest and Dividend	1,977.11	(1,476.47)
Services	2,583.68	(1,600.65)
	<b>7,122.82</b>	<b>(4,855.16)</b>

### 42.16 Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below:

(₹ in Lakhs)

	2021-22	2020-21	2019-20	2018-19	2017-18
Capital Expenditure	19.13	12.75	31.50	322.38	106.79
Revenue Expenditure	771.59	817.43	777.76	780.93	628.87

42.17 Excess Income Tax provision in respect of earlier years amounting to ₹Nil (₹527.35 Lakhs) has been reversed in the current year.

### 42.18 Loans and Advances in the nature of loans to Subsidiaries / Joint Venture Companies / Associates

The company does not have any Loans and Advances in the nature of Loans provided to its Subsidiaries/ Joint Venture Companies / Associates as at the year-end except as disclosed in Note No. 42.19.

### 42.19 Related Party Disclosures

i)	Name of the Related Party	Nature of Relationship
	Balmer Lawrie Investments Ltd. (BLIL)	Holding Company
	Balmer Lawrie (UK) Ltd.	Wholly owned Foreign Subsidiary (Dissolved on 28.09.2021) (*)
	Visakhapatnam Port Logistics Park Ltd.	Subsidiary Company
	Transafe Services Ltd.	Joint Venture Company (**)
	Balmer Lawrie - Van Leer Ltd.	Joint Venture Company
	Balmer Lawrie (UAE) LLC	Joint Venture Company
	Avi - Oil India (P) Ltd.	Associate Company
	PT. Balmer Lawrie Indonesia	Joint Venture Company

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Ms. Kavita Bhavsar, Company Secretary	Key Management Personnel
Shri Adika Ratna Sekhar, C&MD, Director (HR & CA) additional charge & Director (Manufacturing Businesses) additional charge	Key Management Personnel
Shri Vikash Preetam (Independent Director)	Key Management Personnel (Ceased to be director wef 24.07.2021)
Shri Arun Tandon (Independent Director)	Key Management Personnel (Ceased to be director wef 12.09.2021)
Shri Arun Kumar (Independent Director)	Key Management Personnel
Shri Anil Kumar Upadhyay (Independent Director)	Key Management Personnel
Shri Bhagawan Das Shivahare (Independent Director)	Key Management Personnel
Dr. Vandana Minda Heda (Independent Director)	Key Management Personnel (appointed as director wef 26.11.2021)
Smt. Perin Devi Rao (Govt. Nominee Director)	Key Management Personnel (Ceased to be director wef 26.07.2021 and again appointed as director wef 06.08.2021)
Shri Adhip Nath Palchaudhuri, Director (Service Businesses)	Key Management Personnel
Shri Sandip Das, Director (Finance) & CFO	Key Management Personnel
Shri Rajeev Kumar (Independent Director)	Key Management Personnel (appointed as director wef 26.11.2021)
Shri Kushagra Mittal (Govt. Nominee Director)	Key Management Personnel
Shri Abhishek Lahoti	Key Management Personnel of Holding Company (Company Secretary of Holding Company, on deputation by Subsidiary Company)
(*) The Company had been struck off by the Registrar of Companies at UK on 21 <sup>st</sup> September, 2021 and finally dissolved with effect from 28 <sup>th</sup> September, 2021.	
(**) Hon'ble National Company Law Tribunal (NCLT) vide its order dated April 09, 2021 have approved the Resolution Plan of M/s Om Logistics Limited (Resolution Applicant in the said matter of Corporate Insolvency Resolution Process (CIRP) initiated upon M/s Transafe Services Ltd. (TSL)), wherein, the following had been approved upon implementation of the Resolution Plan:	
i. The entire existing Equity Share Capital of TSL shall stand cancelled, extinguished and annulled & be regarded as reduction of Share Capital to the extent of 99.99997% and the remaining 0.00003% shall be required to be transferred to the Resolution Applicant.	
ii. The entire existing Preference Share Capital of TSL shall stand cancelled, extinguished and annulled to the extent of 100% & be regarded as reduction of Capital.	
Consequent to the above, the company ceased to have joint control or have any significant influence over TSL and TSL ceased to be a Related Party under the extant provisions of Section 2(76) of The Companies Act, 2013 or under IND AS-110 or clause 2(1) (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. However, the company has filed an appeal to Hon'ble National Company Law Appellate Tribunal (NCLAT) against the orders of Hon'ble NCLT and the matter is pending for adjudication before Hon'ble NCLAT. The investments of the company (in both equity and preference shares in the said joint venture), have been unilaterally reduced by way of capital reduction, by the demat account service provider. The company has been following up with the demat account service provider for re-instatement of the same considering that the matter is sub-judice (supra).	

ii) Transactions with Related Parties

(₹ in Lakhs)

	Type of Transactions	Year Ending	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL
a)	Sale of Goods	31/03/22	-	1.42	26.38	-	27.80
		31/03/21	(-)	(1.07)	(13.42)	(-)	(14.49)
b)	Purchase of Goods	31/03/22	-	-	2,162.12	-	2,162.12
		31/03/21	(-)	(-)	(2,003.16)	(-)	(2,003.16)
c)	Value of Services Rendered	31/03/22	47.50	-	425.79	-	473.29
		31/03/21	(42.03)	(-)	(408.63)	(-)	(450.66)
d)	Remuneration to Key Managerial Personnel viz: C&MD, WTD and CS	31/03/22	-	-	-	213.70	213.70
		31/03/21	(-)	(-)	(-)	(240.30)	(240.30)
e)	Income from leasing or hire purchase agreement	31/03/22	-	-	1.08	-	1.08
		31/03/21	(-)	(-)	(1.08)	(-)	(1.08)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

	Type of Transactions	Year Ending	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL
f)	Investment in shares as on	31/03/22	-	8,103.90	4,726.02	-	12,829.92
		31/03/21	(-)	(8,103.96)	(4,726.02)	(-)	(12,829.98)
g)	Loans given as on	31/03/22	-	230.03	-	-	230.03
		31/03/21	(-)	(230.03)	(-)	(-)	(230.03)
h)	Dividend Income	31/03/22	-	41.60	2,472.68	-	2,514.28
		31/03/21	(-)	(-)	(2,122.50)	(-)	(2,122.50)
i)	Dividend Paid	31/03/22	6,340.76	-	-	-	6,340.76
		31/03/21	(7,926.03)	(-)	(-)	(-)	(7,926.03)
j)	Interest Income	31/03/22	-	24.15	-	-	24.15
		31/03/21	(-)	(24.15)	(-)	(-)	(24.15)
k)	Amount received on a/c. of salaries, etc. of employees deputed or otherwise	31/03/22	16.23	-	-	-	16.23
		31/03/21	(14.86)	(-)	(-)	(-)	(14.86)
l)	Net outstanding recoverable as on	31/03/22	17.35	631.50	131.86	-	780.71
		31/03/21	(41.57)	(606.76)	(87.35)	(-)	(735.68)
m)	Net outstanding payable as on	31/03/22	-	39.16	509.78	-	548.94
		31/03/21	(-)	(-)	(434.94)	(-)	(434.94)
n)	Provision for doubtful debts/ advances/ deposits due from	31/03/22	-	729.54	-	-	729.54
		31/03/21	(-)	(345.70)	(-)	(-)	(345.70)
o)	Purchase of fixed assets	31/03/22	-	-	-	-	-
		31/03/21	(-)	(-)	(2.42)	(-)	(2.42)
p)	Value of Services Received	31/03/22	-	104.46	-	-	104.46
		31/03/21	(-)	(-)	(-)	(-)	(-)
q)	Remuneration to Key Managerial Personnel as Sitting Fees	31/03/22	-	-	-	16.55	16.55
		31/03/21	(-)	(-)	(-)	(17.95)	(17.95)

**42.20 Segment Reporting**

Information about business segment for the year ended 31<sup>st</sup> March, 2022 in respect of reportable segments as notified by the Ministry of Corporate Affairs in the IND AS- 108 in respect of "Operating Segments" is attached in Note No.43.

**42.21 Disclosure of Interests in Joint Venture and Associate Companies**

<b><u>Name of Joint Venture Company</u></b>	<b><u>Proportion of Shareholding</u></b>	<b><u>Country of Incorporation</u></b>
Balmer Lawrie (UAE) LLC	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd.	47.91%	India
Transafe Services Ltd. (*)	50%	India
PT. Balmer Lawrie Indonesia	50%	Indonesia
<b><u>Name of Associate Company</u></b>		
Avi Oil India (P) Ltd.	25%	India

(\*) Refer Note No. 42.19

Avi Oil India (P) Ltd. is classified as associate on the basis of the shareholding pattern which leads to significant influence over them by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd. and PT. Balmer Lawrie Indonesia, both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures. The Company recognizes its share in net assets through equity method. (Refer Note No. 42.19).

The Company's proportionate share of the estimated amounts of contracts remaining to be executed on Capital Accounts relating to the Joint Venture & Associate Companies and not provided for in their respective financial statements amounts to ₹732.18 Lakhs (₹1,187.46 Lakhs).

**42.22 Capital Work in Progress as at the Balance Sheet date comprises:**
**₹/ Lakhs**

<b>Asset Classification (*)</b>	<b>As on 31.03.2022</b>	<b>As on 31.03.2021</b>
Leasehold Land	<b>3.79</b>	(281.43)
Building	<b>767.36</b>	(1,051.19)
Plant & Machinery	<b>89.27</b>	(1,430.19)
Electrical Installation & Equipment	<b>79.96</b>	(338.76)
Furniture & Fittings	-	(9.34)
Tubewell, Tanks & Miscellaneous Equipment	<b>1.96</b>	(25.43)
Pre-Production Expenses	<b>122.58</b>	(74.28)
<b>Grand-Total</b>	<b>1064.92</b>	<b>(3210.62)</b>

(\*) Subject to final allocation / adjustment at the time of capitalization.

(a) The CWIP ageing schedule is as under:

(As on 31.03.2022)

CWIP	Amount in CWIP for a period of				Total (Rs. in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,044.85	19.70	-	-	1,064.55
Projects temporarily suspended	-	-	-	0.37	0.37

(As on 31.03.2021)

CWIP	Amount in CWIP for a period of				Total (Rs. in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,722.36	199.96	277.02	3.79	3,203.13
Projects temporarily suspended	-	-	-	7.49	7.49

(b) The details of projects of CWIP where activity has been suspended is as under:

(As on 31.03.2022)

CWIP	To be completed in (Rs. in Lakhs)			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1 (T&PD, Kolkata)	0.37	-	-	-

(As on 31.03.2021)

CWIP	To be completed in (Rs. in Lakhs)			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1 (T&PD, Kolkata)	7.49	-	-	-

42.23 Cost of Services comprises:

	₹/Lakhs	
	2021-22	2020-21
Air/ Rail travel costs	1,127.77	(1,035.93)
Air/ Ocean freight	37,521.06	(30,516.11)
Transportation/ Handling	4,821.87	(6,595.59)
Other Service charges	2,780.40	(627.19)
	<b>46,251.10</b>	<b>(38,774.82)</b>

42.24 Miscellaneous Expenses shown under "Other Expenses" (Refer Note No. 36) do not include any item of expenditure which exceeds 1% of revenue from operations.

42.25 (a) Certain fixed deposits with banks amounting to ₹5,200.00 Lakhs (₹4,179.00 Lakhs) are pledged with a bank against short term loans availed from the said bank. However, there are no loans outstanding against these pledges as on 31.3.2022.

(b) Certain fixed deposits amounting to ₹100.59 Lakhs (₹94.02 Lakhs) are pledged with a bank against guarantees availed from the said bank.

42.26 Details of Other Payables (Refer Note No.24)

(₹ in Lakhs)

	As on 31.03.2022	As on 31.03.2021
Creditor for Expenses	7,236.25	(6,898.34)
Creditor for Capital Expenses	212.03	(223.71)
Employee Payables	1,622.19	(1,605.67)
Statutory Payables	350.26	(372.92)
Others	125.00	(115.08)
	<b>9,545.73</b>	<b>(9,215.72)</b>

42.27 The company had originally been sanctioned in the financial year 2017-18, a grants-in-aid by the Ministry of Food Processing Industries (MoFPI), Government of India for setting up integrated cold chain facilities at Rai, Haryana and Patalganga, Maharashtra. This sanction has subsequently been re-calculated and approved as full and final to ₹671.59 Lakhs by the said Ministry. Against the same, the company has actually been disbursed ₹671.59 Lakhs as full and final payments up to 31.03.2022. (₹180.80 Lakhs, ₹289.29 Lakhs and ₹201.50 Lakhs were disbursed during the financial years 2017-18, 2019-20 and 2021-22 respectively). This has been treated as a deferred income and grouped under Non Financial Liabilities-Others (Current)/ Non Financial Liabilities-Others (Non-Current) and shall be apportioned over the useful life of the assets procured out of such grant. During the current financial year, a sum of ₹45.00 Lakhs (₹29.99 Lakhs) has been credited as income in the statement of profit and loss.

42.28 During the financial year 2018-19, the company started the process of closing down/winding up of its wholly owned subsidiary, M/s Balmer Lawrie (UK) Limited (BLUK). The process of winding up has been completed in the current financial year and the company had been struck off by the Registrar of Companies at UK on 21.09.2021 and finally dissolved on 28.09.2021.

- 42.29 The review of the residual value and the useful life of the assets (including for Property, Plant & Equipment, Intangible Assets and Investment Properties) is done by the management on a regular basis at periodic intervals.
- 42.30 Visakhapatnam Port Logistics Park Ltd. (VPLPL) is a subsidiary of the company. The company holds 60% of the equity capital. VPLPL has been facing initial teething problems since the start of operations in the second half of 2019 and is going through initial stabilization phase which has been further heightened by impact of Covid-19 for the past two years. This is an infrastructure project and the gestation period is generally higher than for normal projects. Through sustained efforts in garnering new business propositions the yearly losses are continuously reducing and the company has a positive operating EBIDTA in all the years. Approval had been received earlier from the bankers of VPLPL for restructuring of the Bank term loan under special resolution framework for Covid-19 stressed units. Based on these above facts and considering a positive cash flow from operating activities in the current year with positive likelihood of getting the Container Freight Service Provider's (CFS) license along with substantial revenue generations and future growth expectations of the company, the management is hopeful of a turnaround in the performance of this subsidiary in the near future. Therefore, the company has not made any provisions towards its investment in VPLPL.

**42.31 The Key Ratios are as under:**

Sl. No.	Name of the Ratio	Particulars/ Formula used in Numerator	Particulars/ Formula used in Denominator	Ratio (Current Year ending 31.03.2022)	Ratio (Previous Year ending 31.03.2021)	% variance	Explanation where the change in the ratio is by more than 25% as compared to the preceding year
(a)	Current Ratio	Current Assets	Current Liabilities	2.351	2.270	+3.56	NA
(b)	Debt-Equity Ratio	Total Debts	Total Shareholders Equity or Net Worth	-	0.004	-100.00	All debts have been paid.
(c)	Debt Service Coverage Ratio	Net Profit after taxes + Depreciation & Amortization expenses + Interest expenses	Interest expenses + Borrowing repayments	18.013	15.609	+15.40	NA
(d)	Return on Equity Ratio	Profit after taxes	Average Shareholders Equity or Average Net Worth	0.094	0.089	+5.62	NA
(e)	Inventory turnover Ratio	Total Turnover	Average value of inventory	11.658	10.438	+11.69	NA
(f)	Trade Receivables turnover Ratio	Total Turnover	Average Trade Receivables	6.984	5.670	+23.17	NA
(g)	Trade payables turnover Ratio	Cost of material consumed & services rendered + purchase of trading goods	Average Trade Payables	5.301	4.041	+31.18	Business growth accompanied with procurement costs.
(h)	Net capital turnover Ratio	Total Turnover	Current Assets - Current Liabilities	3.027	2.415	+25.34	Business growth and increase in related receivables and inventory.
(i)	Net Profit Ratio	Profit after taxes	Total Turnover	0.058	0.073	-20.55	NA
(j)	Return on Capital employed	Profit before interest expenses and taxes	Net worth + Borrowings + Deferred Tax Liability	0.131	0.121	+8.26	NA
(k)	Return on investment	Dividend Income	Average investments	0.194	0.164	+18.29	NA

**42.32 Corporate Social Responsibility**

The disclosure with respect to CSR activities covered under section 135 of the Companies Act 2013 is as under:

Sl. No.	Particulars	Current Year ending 31.03.2022 (Rs. in Lakhs)	Previous Year ending 31.03.2021 (Rs. in Lakhs)
(i)	amount required to be spent by the company during the year	441.00	511.15
(ii)	amount of expenditure incurred	1048.16	514.15
(iii)	shortfall at the end of the year	Nil	Nil
(iv)	total of previous years shortfall	Nil	Nil
(v)	reason for shortfall	N/A	N/A
(vi)	nature of CSR activities	Education, Health, Livelihood, Skill Development, Disaster Management, Geriatric Care and Environment.	Education, Health, Livelihood, Skill Development, Disaster Management, Geriatric Care and Environment.

SI. No.	Particulars	Current Year ending 31.03.2022 (Rs. in Lakhs)	Previous Year ending 31.03.2021 (Rs. in Lakhs)
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	N/A	N/A
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N/A	N/A

**42.33 Details with respect to registration of charges or satisfaction with Registrar of Companies (ROC) are as under:**

All those cases wherein charges are not satisfied are listed here and the company has been following up with the respective banks on regular basis for the needful.

SI. No.	Charge-holder name and address	Date of creation of charge	Date of modification of charge	Amount (Rs. in Lakhs)	Reason for delay in registration of satisfaction
1	VIJAYA BANK, Kolkata	29-03-2006	08-06-2010	1200.00	The company has intimated the bankers for completion of formalities related to satisfaction of charges. Some of the banks have merged with other banks and general delay has been observed from the bank's side in filing the same with the ROC. However, the company has been following up with the respective banks on regular basis for the needful.
2	INDUSIND BANK LTD, Pune	22-08-2005	17-08-2010	7500.00	
3	INDUSIND BANK LTD, Kolkata	27-03-2004	-	2000.00	
4	DENA BANK, Kolkata	11-03-2003	-	1500.00	
5	DENA BANK, Kolkata	03-03-2003	-	2000.00	
6	PUNJAB NATIONAL BANK, Kolkata	03-05-2002	-	2500.00	
7	BANK OF BARODA, Kolkata	26-03-2002	-	3800.00	
8	ALLAHABAD BANK, Kolkata	21-03-2002	21-03-2002	2000.00	
9	BANK OF BARODA, Kolkata	05-03-2002	-	1200.00	
10	CANARA BANK, Bangalore	08-02-2002	-	4000.00	
11	THE HONGKONG & SANGHAI BANKING CORPN.LTD, Kolkata	25-02-1997	-	400.00	
12	H.D.F.C BANK LTD, Kolkata	24-02-1997	-	400.00	
13	ABN-AMRO BANKN N.V., Kolkata	27-08-1996	-	1700.00	
14	EXPORT IMPORT BANK OF INDIA, Mumbai	07-11-1994	-	520.00	
15	CANARA BANK, Kolkata	21-06-1993	-	200.00	
16	BANK OF AMERICA, Kolkata	31-03-1993	-	400.00	
17	ALLAHABAD BANK, Kolkata	16-10-1990	-	807.00	
18	ALLAHABAD BANK, Kolkata	16-10-1990	10-04-1992	807.00	
19	ANZ GRINDLAYS BANK, Kolkata	30-12-1980	15-03-1994	4000.00	
20	ALLAHABAD BANK, Kolkata	13-11-1978	-	40.00	
21	BANK OF BARODA, Dubai NAAE	13-10-1977	-	85.00	
22	STANDARD CHARTERED BANK, Kolkata	08-09-1998	11-07-2012	18000.00	

**42.34 The additional notes to accounts for the year ended 31.03.2022/ 31.03.2021:**

- The company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.
- No proceedings have been initiated on or are pending against the company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- Clause (87) of section 2 of the Companies Act, 2013 read with Rule 2 (2) (d) of the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company, being a Government Company as referred to in clause (45) of Section 2 of the Act.



- (d) No Scheme of Arrangements in respect of the company has been approved by the Competent Authority in terms of Sections 230 to 237 of Companies Act, 2013.
- (e) The company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- (f) The company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any persons or entities, including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (g) The company has not received any fund from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (h) The company has not traded or invested in Crypto Currency or Virtual Currency.
- (i) The dividend declared and paid by the company is in compliance with Section 123 of the Companies Act, 2013.
- (j) The company has no such transactions not recorded in the books of account which have been surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961) and there is no immunity either to not disclose the same. There are no such cases of previously unrecorded income and related assets which have been recorded in the books of account.

#### 42.35 The additional notes to accounts as at balance sheet date as on 31.03.2022/ 31.03.2021:

- (a) The company does not have any relationship with struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (b) The company does not have any such case where the borrowings from banks and financial institutions have been used otherwise than for the specific purpose for which it was taken.

#### 42.36 Impact of New Labour Codes

The Indian Parliament has approved 4 Labour Codes viz : The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and The Occupational Safety Health and Working Conditions, 2020 subsuming many existing labour legislations. These would impact the contributions by the Company towards Provident Fund, Bonus and Gratuity. The effective date from which the codes and rules will be applicable is yet to be notified. The Company will assess the impact and its valuation and will give appropriate impact in its financial statements in the period(s) in which, the Codes become effective and the related rules to determine the financial impact are notified.

#### 42.37 Impact of COVID-19 pandemic

The spread of global health pandemic Covid-19 has severely affected the businesses around the globe. In many countries including India, there had been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The Company has made detailed assessment and has concluded that no material adjustments are required to be made in the financial results due to Covid-19. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.

42.38 The company had old recoverable amount of Rs 2.40 Crores from M/s Biecco Lawrie Ltd (BLL) pertaining to the proportionate rental share of Kolkata Port Trust's land which was initially provided for by the company in the books of accounts in the earlier years and finally written off in the books of accounts during FY 2018-19, based on the assessment of BLL's financial condition. However, during the current financial year, as a part of the closure proceedings of BLL, the same was paid by BLL to the company and it has been duly accounted for as other income in the books of accounts of the company. The same has been done by raising a tax invoice based on the applicable prevalent laws/rules in force as on date and considering the receipt as inclusive of GST.

- 42.39**
- (a) The financial statements have been prepared as per the requirement of Division-II to the Schedule III of the Companies Act, 2013.
  - (b) Previous year's figures have been re-grouped or re-arranged or re-classified wherever so required to make them comparable with current year figures.
  - (c) Figures in brackets relate to previous year.
  - (d) All amounts in ₹ Lakhs unless otherwise stated. The words Lakhs and Lacs are used interchangeably in these financial statements and have the same connotation.

As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No.060742  
Kolkata, 27th May, 2022

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Adhip Nath Palchadhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

## Statement of Disputed Dues as on 31st March, 2022

(Not provided for in the accounts)

Name of the Statute	Nature of the Dues	Amount (Rs./Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2021-22	2020-21		
Sales Tax Act	Sales Tax				
		9.03	9.03	Asstt Yr 2012/13	Jt. Commissioner- Appeals Mumbai
		22.26	23.58	Asstt Yr 2014/15	-do-
		0.24	0.24	Asstt Yr 2008/09	-do-
		5.48	5.48	Asstt Yr 2008/09	-do-
		8.54	8.54	Asstt Yr 2012/13	-do-
		15.41	-	Asstt Yr 2015/16	-do-
		12.42	-	Asstt Yr 2016/17	-do-
		16.67	16.67	Asstt Yr 2007/08	Maharashtra Sales Tax Tribunal, Mumbai
		2.71	2.71	Asstt Yr 2007/08	-do-
		239.44	215.78	Asstt Yr 2015/16	Dy. Commissioner (VAT), D&NH, Silvassa
		237.50	-	Asstt Yr 2016/17	-do-
		184.61	174.36	Asstt Yr 2015/16	-do-
		591.74	-	Asstt Yr 2016/17	-do-
		69.38	69.38	Asstt Yr 1992-93 (15.09.2003)	CTO, Chennai
		10.85	10.85	Asstt Yr 1992-93 (16.03.2004)	-do-
		15.62	15.62	Asstt Yr 1993/94 (19.11.2009)	-do-
		12.14	12.14	Asstt Yr 1993/94 (19.11.2009)	-do-
		2.25	2.25	Asstt Yr 1995-96 (07.07.2005)	Asstt. Commissioner, Chennai
		6.63	6.63	Asstt Yr 1995-96 (07.07.2005)	-do-
		-	1.82	Asstt Yr 1994-95 (28.04.2004)	-
		90.93	90.93	Asstt Yr 2005/06 (CST Act 56)	High Court, Calcutta
		7.07	7.07	Asstt Yr 2007/08 (VAT Act 03)	Appellate Revisional Board, Kolkata
		32.59	32.59	Asstt Yr 2007/08 (CST Act 56)	-do-
		87.42	87.42	Asstt Yr 2016/17 (Vat Act 03)	-do-
		164.62	164.62	Asstt Yr 2016/17 (CST Act 56)	-do-
		52.50	52.50	Asstt Yr 2010/11 (CST Act 56)	-do-
		67.82	67.82	Asstt Yr 2005/06 (Vat Act 03)	West Bengal Taxation Tribunal, Kolkata
		12.32	12.32	Asstt Yr 2013/14 (Vat Act 03)	-do-
		19.04	10.91	Asstt Yr 2014/15 (Vat Act 03)	-do-
		-	32.93	Asstt Yr 2014/15 (CST Act 56)	-
		-	49.86	Asstt Yr 2015/16 (Vat Act 03)	-
-	66.00	Asstt Yr 2015/16 (CST Act 56)	-		
-	8.32	Asstt Yr 2012/13 (CST Act 56)	-		
96.66	96.66	Asstt Yr 2017/18 (Vat Act 03)	Senior Joint Commissioner, Corporate Division, Kolkata		
18.60	18.60	Asstt Yr 2017/18 (CST Act 56)	-do-		
798.81	798.81	Asstt Yr 2009/10	High Court, Odisha		
	<b>SUB TOTAL</b>	<b>2,911.31</b>	<b>2,172.44</b>		
Central Excise Act	Excise Duty				
		1,496.91	1,449.70	July 1997 (1994 to 1997)	CESTAT, Kolkata
		47.00	47.00	04.10.2002 (2002)	Asstt. Commissioner, Kolkata
		1.09	1.09	08.09.1995 (1995)	-do-
		1.42	1.42	06.07.1995 (1995)	-do-
		12.18	12.18	17.07.1995 (1995)	-do-
		9.97	9.97	27.04.1995 (1995)	-do-
		218.03	218.03	18.09.2002 (2002)	High Court, Calcutta
99.29	99.29	02.05.2003 (2003)	-do-		

		1.62	1.62	03.06.2011 (2011)	Commissioner (Appeals), Kolkata
		2.63	2.63	07.05.2021	Commissioner (Appeals), Tirupati
	<b>SUB TOTAL</b>	<b>1,890.14</b>	<b>1,842.92</b>		
<b>Cess</b>	<b>Cess</b>	134.82	129.89	Asstt Yr 1999/00	High Court, Bombay
		113.03	108.90	Asstt Yr 2000/01	-do-
	<b>SUB TOTAL</b>	<b>247.85</b>	<b>238.79</b>		
<b>Service Tax</b>	<b>Service Tax</b>				
		38.52	-	2014/15 to 2017/18	Dy. Commissioner GST Mumbai
		143.05	-	2016/17 to 2017/18	-do-
		25.77	24.64	19/03/2010 (2005 to 2008)	CESTAT, Kolkata
		1,254.72	1,254.72	Oct., 2002 - March, 2007	-do-
		131.12	125.07	Asstt Yr 2005/06 to 2006/07	-do-
		27.97	27.97	23.07.2012	CESTAT, New Delhi
		1,116.08	525.21	2013-14	-do-
		310.85	310.85	2016/17 (01.08.2017)	CESTAT, Bengaluru
		67.62	67.62	10.08.2016	CESTAT, Hyderabad
		1,262.28	1,262.28	16.06.2017	CESTAT, Chennai
	<b>SUB TOTAL</b>	<b>4,377.98</b>	<b>3,598.37</b>		
	<b>GRAND TOTAL</b>	<b>9,427.28</b>	<b>7,852.52</b>		

## Note No. 43

### Segment Revenue

(₹ in Lakhs)

	31 March 2022			31 March 2021		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	84,919	2,780	82,139	55,502	2,179	53,323
Logistics Infrastructure	16,994	344	16,650	20,028	206	19,822
Logistics Services	46,799	1,092	45,707	37,912	1,070	36,842
Travel & Vacations	8,005	1,586	6,419	4,559	1,867	2,692
Greases & Lubricants	51,068	8,114	42,954	36,550	6,011	30,539
Others	11,461	1,085	10,376	10,165	1,174	8,991
<b>Total Segment Revenue</b>	<b>2,19,246</b>	<b>15,001</b>	<b>2,04,245</b>	<b>1,64,716</b>	<b>12,507</b>	<b>1,52,209</b>

### Segment Profit before Income Tax

(₹ in Lakhs)

	31 March 2022	31 March 2021
Industrial Packaging	7,524	4,630
Logistics Infrastructure	3,921	4,832
Logistics Services	5,864	5,332
Travel & Vacations	(42)	(1,520)
Greases & Lubricants	4,241	3,145
Others	(4,494)	(754)
<b>Total Segment Profit before Income Tax</b>	<b>17,014</b>	<b>15,665</b>

**Segment Assets**

(₹ in Lakhs)

	31 March 2022				31 March 2021			
	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets
Industrial Packaging	36,948	-	-	36,948	34,363	-	-	34,363
Logistics Infrastructure	27,232	-	-	27,232	28,329	-	-	28,329
Logistics Services	10,025	-	-	10,025	9,771	-	-	9,771
Travel & Vacations	29,269	-	-	29,269	19,732	-	-	19,732
Greases & Lubricants	22,689	-	-	22,689	19,193	-	-	19,193
Others	7,585	-	-	7,585	8,432	-	-	8,432
<b>Total Segment Assets</b>	<b>1,33,748</b>	<b>-</b>	<b>-</b>	<b>1,33,748</b>	<b>1,19,820</b>	<b>-</b>	<b>-</b>	<b>1,19,820</b>
Intersegment eliminations	-	-	-	-	-	-	-	-
<b>Unallocated</b>								
Deferred tax assets	-	-	-	-	-	-	-	-
Investments	12,980	-	10	12,990	12,951	-	29	12,980
Derivative financial instruments	-	-	-	-	-	-	-	-
Other Assets	47,765	-	-	47,765	59,667	-	-	59,667
<b>Total Assets as per the Balance Sheet</b>	<b>1,94,493</b>	<b>0</b>	<b>10</b>	<b>1,94,503</b>	<b>1,92,438</b>	<b>0</b>	<b>29</b>	<b>1,92,467</b>

**Segment Liabilities**

(₹ in Lakhs)

	31 March 2022	31 March 2021
Industrial Packaging	10,096	9,703
Logistics Infrastructure	7,745	10,103
Logistics Services	7,734	7,595
Travel & Vacations	8,194	5,260
Greases & Lubricants	6,049	7,438
Others	2,713	2,662
<b>Total Segment Liabilities</b>	<b>42,531</b>	<b>42,761</b>
Intersegment eliminations	-	-
<b>Unallocated</b>		
Deferred tax liabilities	1,615	1,722
Current tax liabilities	2,650	2,549
Current borrowings	-	-
Non current borrowings	-	293
Derivative financial instruments	-	-
Other Liabilities	15,721	14,370
<b>Total Liabilities as per the Balance Sheet</b>	<b>62,517</b>	<b>61,695</b>

**Note No. 44**
**Financial Risk Management**
**i) Financial instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	Fair value through Profit or Loss	Amortised Cost*	Fair value through Profit or Loss	Amortised Cost*
<b>Financial Assets</b>				
Equity instruments**	159.45	-	149.46	-
Trade Receivables	-	31,388.70	-	28,891.28
Other Receivables	-	17,372.50	-	9,793.86
Loans	-	1,048.49	-	1,378.13
Accrued income	-	2,674.08	-	1,898.14
Security Deposit	-	873.78	-	666.96
Cash and Cash equivalents	-	4,694.25	-	3,475.45
Other Bank Balances	-	36,858.88	-	49,677.16

Particulars	31 March 2022		31 March 2021	
	Fair value through Profit or Loss	Amortised Cost*	Fair value through Profit or Loss	Amortised Cost*
<b>Total- Financial Assets</b>	<b>159.45</b>	<b>94,910.68</b>	<b>149.46</b>	<b>95,780.98</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	496.53
Lease Liabilities	-	<b>2,698.97</b>	-	2,961.20
Trade Payables	-	<b>27,250.50</b>	-	27,071.61
Security Deposit	-	<b>2,605.05</b>	-	3,108.42
Other Financial Liabilities	-	<b>10,079.34</b>	-	9,721.09
<b>Total- Financial Liabilities</b>	<b>-</b>	<b>42,633.86</b>	<b>-</b>	<b>43,358.85</b>

\*All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values.

\*\*1. Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost amounting to ₹ 12829.92 Lakhs (31 March 2021 ₹ 12829.98 Lakhs) as per Ind AS 27 "Separate Financial Statement" and hence not presented here.

\*\*2. This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

**ii) Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade Receivable, Cash and Cash equivalents, derivative financial instruments, financial assets measured at amortised cost.	Ageing Analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts
Market Risk - Foreign Exchange	Recognised financial assets and liabilities not denominated in Indian Rupee (₹)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts

The Company's risk management other than in respect of trade receivables is carried out by a central treasury department under policies approved in-principle by the Board of Directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Company's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

**A) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables amounting to ₹ 48,761.20 Lakhs as at March 31, 2022 (₹ 38685.14 Lakhs as at March 31, 2021). The receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

**Provisions**

**For Receivables**

There are no universal expected loss percentages which can be derived for the Company as a whole. The Company generally considers its receivables as impaired when they are outstanding for over three years period. Considering the historical trends based on amounts actually incurred as a loss in this regard over the past few years and market information, the Company estimates that the provision computed on its trade receivables will not be materially different from the amount computed using expected credit loss method prescribed under Ind AS - 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

**For Other Financial assets**

**Loans** - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans, the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

**Accrued income** - includes Dividend income from both Indian and foreign JV's/associates. Hence no credit risk is envisaged.

**Deposits** - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

**Cash & Cash equivalents** - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

**Other Bank Balances** - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been made with various public and private sector banks having the high credit ratings.

**B) Liquidity risk**

Liquidity risk arises from borrowings and other liabilities. The company had taken a loan of ₹ 15 Crores from Standard Chartered Bank (in FY 2017-18) to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI). The same was repaid in full in the current financial year.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining short term debt financing plans.

The company does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they are falling due.

**C) Market Risk**

**Market risk arises due to change in interest rates or foreign exchange rates.**

**1) Interest rate risk**

The company is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The company has also invested in preference share capital of its joint venture company, M/s Transafe Services Limited which has been entirely provided for in the books of the company on account of total erosion of Net Worth of the JV and hence no further income is being accrued on this account (Refer Note no. 42.19) The company has not invested in any other instruments except equity investments.

**2) Foreign currency risk.**

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS-109. The Company does not use forward contracts for speculative purposes. The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED .

The Company, as a matter of policy decided by the Board of Directors, do not enter into derivative contracts.

The Company's exposure to major foreign currency risk at the end of the reporting period expressed in individual currencies are as follows:

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Net Payables</b>		
USD	654,708	2,181,092
Euro	1,496,584	1,269,041
GBP	215,402	240,414
<b>Forward Contracts</b>		
USD	200,000	0
Euro	0	0
GBP	0	0
Receivables		
AED	11,246,782	8,274,831

The Company's exposure to major foreign currency risk at the end of the reporting period expressed in ₹ are as follows (₹ in lakhs):

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Net Payables</b>		
USD	501	1607
Euro	1286	1106
GBP	217	245

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Receivables		
AED	2,250	1,609

### Sensitivity

The Sensitivity of Profit or Loss & equity to changes in the exchange rate arises mainly from major Foreign currency denominated Financial instrument.

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Increase by 50 Basis points *</b>		
USD	25.03	80.37
Euro	64.30	55.30
GBP	10.86	12.27
AED	112.52	80.43
<b>Decrease by 50 Basis points *</b>		
USD	(25.03)	(80.37)
Euro	(64.30)	(55.30)
GBP	(10.86)	(12.27)
AED	(112.52)	(80.43)

### Note No. 45

#### Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of Balance Sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company, being a CPSE is governed by the guidelines on Capital issued from time to time by the Government of India.

(₹ in lakhs):

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Total Equity	1,31,985.90	1,30,772.78
Total Assets	1,94,503.47	1,92,467.39
<b>Equity Ratio</b>	<b>67.86%</b>	<b>67.95%</b>

#### Dividends

(₹ in Lakhs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>(i) Dividend recognised at the end of the reporting period</b>		
Final dividend for the year ended 31 March 2021 of ₹ 6.00 (31 March 2020 of ₹ 7.50) per fully paid equity share (Net of Dividend Distribution Tax, if any).	10,260.23	12,825.29
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year-end, the directors have recommended the payment of final dividend of ₹ 6.50 (31 March 2021 ₹ 6.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	11,115.25	10,260.23

**Balmer Lawrie & Co. Ltd.**  
For the year ended 31.03.2022  
Form AOC-1

**Information in respect of Subsidiaries, Associates & Joint Ventures**

[Pursuant to Section 129(3) of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

**Part - A - Subsidiaries**

(₹ in Lakhs)

1	Sl. No.	1	2
2	Name of the subsidiary	<b>Balmer Lawrie UK Ltd. (Refer Note 1)</b>	<b>Visakhapatnam Port Logistics Park Ltd.</b>
3	The date since when subsidiary was acquired	16-11-1992	24-07-2014
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	01-04-2021 to 28-09-2021	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD @ 74.22/ USD	NA
6	Share capital	-	13506.50
7	Reserves & surplus	-	(4544.48)
8	Total assets	-	19765.15
9	Total Liabilities	-	10803.14
10	Investments	-	-
11	Turnover	0.04	1405.37
12	Profit /(Loss) before taxation	(0.09)	(820.91)
13	Provision for taxation	-	-
14	Profit /(Loss) after taxation	(0.09)	(820.91)
15	Proposed Dividend	0.00	-
16	Extent of shareholding (in percentage)	100%	60%

**Note :**

1. Balmer Lawrie UK. Ltd. has been dissolved on 28.09.2021. Refer Note No. 42.19 of the Standalone Notes to Accounts.

**Part - B - Associates and Joint Ventures**

(₹ in Lakhs)

Sl. No.	Name of Associates / Joint Ventures	Balmer Lawrie (UAE) LLC	Balmer Lawrie-Van Leer Ltd.	Transafe Services Ltd.	Avi-Oil India (P) Ltd.	PT Balmer Lawrie Indonesia
1	<b>Latest audited Balance Sheet Date</b>	31-12-2021	31-03-2022	31-03-2019	31-03-2022	31-03-2022 (Unaudited, Refer Note 2 below)
2	<b>Date on which the Associate or Joint Venture was associated or acquired</b>	01-11-1993	01-09-1993	15-10-1990	04-11-1993	22-10-2018
3	<b>Shares of Associate or Joint Ventures held by the company on the year end</b>					
	No.	9800	8601277	11361999	4500000	2000000
	Amount of Investment in Associates or Joint Venture (₹ Lakhs)	890.99	3385.03	1165.12	450.00	1027.32
	Extent of Holding (in percentage)	49.00%	47.91%	50.00%	25.00%	50.00%
4	<b>Description of how there is significant influence</b>	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Refer Note 1 Below	Controlling more than 20% shareholding	Refer Note 1 Below
5	<b>Reason why the associate /joint venture is not consolidated</b>	Not Applicable	Not Applicable	Refer Note 1 Below	Not Applicable	Refer Note 1 Below
6	<b>Networth attributable to shareholding as per latest audited Balance sheet (₹/ Lakhs)</b>	65906.08	19423.00	0.00	7555.79	(257.23)
7	<b>Profit or Loss for the year (₹/Lakhs)</b>					
	(i) Considered in Consolidation	8319.88	3923.00	0.00	638.17	0.00
	(ii) Not Considered in Consolidation	0.00	0.00	0.00	0.00	639.43



## Notes :

- 1 As per Ind AS 28 -Investments in Associates and Ind AS 31 - Interests in Joint Ventures, the company has followed the equity method of accounting for all its joint ventures and associate companies. In case of PT Balmer Lawrie Indonesia, since the net worth has turned negative, hence no further consolidation is required as per IND AS. In case of Transafe Services Limited, refer Note No.42.19 of the Standalone notes to accounts.
- 2 The figures of PTBLI for the year ended March 31, 2022 as is disclosed elsewhere in the Consolidated Financial Statements of the group, are as prepared by the management of PTBLI.
- 3 None of the associates or joint ventures have been liquidated or sold during the year. Refer Note No.42.19 of the Standalone notes to accounts.

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
**Membership No.060742**  
**Kolkata, 27th May, 2022**

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Adhip Nath  
Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT  
OF  
BALMER LAWRIE & COMPANY LIMITED**

To  
The Members of  
Balmer Lawrie & Company Limited

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of BALMER LAWRIE & COMPANY LIMITED (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint

ventures, as at March 31, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

SI.No	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Holding Company has tax matters under dispute which involves judgment to determine the possible outcome of these disputes. [Refer Note No.42.4(a) to the consolidated financial statements]</p>	<p>We obtained the details of assessment orders to the extent available, regarding those assessments for which disputes are continuing and being disclosed as contingent liability by the management. We involved our expertise to estimate the possible outcome of the disputes. Our experts considered the assessment orders and other rulings in evaluating management's position on these uncertain tax positions to evaluate whether any change was required to management's position on these uncertain tax matters.</p>
2	<p><b>Debtors Due for More than Three years and Credit Balance in Sundry Debtors Accounts (Unallocated Receipts)</b></p> <p>The Holding Company has credit balance in some customer accounts across all Strategic Business Unit (SBU's). The credit balance in these customers accounts are due to either of the following reasons:</p> <ul style="list-style-type: none"> <li>Amount lying in the nature of advance in the customer's account;</li> <li>Amount credited to customers account but the same could not be tracked / linked with any sales invoice.</li> </ul>	<p>We have checked the debtor's ageing schedule of the SBU's. The Company is regularly following up on the realisation of the same. As is evident from the ageing schedule dues do exist for more than three years against which provision has been made in the accounts.</p> <p>We, during the course of our examination have also checked the unadjusted advances from customers lying for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases, the management is in the process of reconciliation with the respective parties and hence the write back if any, has been kept in abeyance.</p>

Sl.No	Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> <li>Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods</li> </ul>	<p>It is observed that though the letters seeking confirmations are sent by the Company, the response has been poor. Steps should be taken to get the confirmations from customers. In addition to practice of seeking confirmation annually, the Holding Company should also get confirmation through the sales team on a periodical basis other than annually.</p> <p>The management has to strengthen the internal control process of reconciling the balances of the debtors and to adjust the unallocated receipts on a periodical basis.</p>

**Emphasis of Matter**

We draw attention to the following matters in the Notes to the consolidated financial statements which describe the uncertainty related to the outcome.

- a) Note No. 42.6 which states that trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.
- b) Note No.42.8 which describes the management's assessment of the impact of uncertainties related to COVID 19 pandemic and its consequential effects on the business operations of the Holding Company.
- c) Note No. 23: "Other Trade Payable" includes the sundry creditor for expenses amounting to Rs.322.57Lakhs (P.Y. Rs.322.57 Lakhs) of E&P Division (Kolkata) of Holding Company, which are lying unpaid since long, as the matter is under litigation.
- d) Note No. 42.1(b) which states that the reporting company ceased to have joint control or have significant influence over one of its joint venture company, M/s Transafe Services Limited due to approval of Resolution Plan under Corporate Insolvency Resolution Process by the Hon'ble National Company Law Tribunal (Kolkata Bench) vide its order dated 09.04.2021.
- e) Notes No.42.1(d) regarding non-accrual of interest on loan and non-impairment of its investments in M/s Transafe Services Limited by a Joint Venture Company, M/s Balmer Lawrie - Van Leer Limited in the previous financial year 2020-21, which have no further impact on the group consequent to the same being provided for in the current financial year.

Our opinion is not modified in respect of the above matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for 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 Report, and Shareholder Information, but does not include the consolidated 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.

**Responsibility of Management and those Charged with Governance for the consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### Auditor's responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies, associates and joint ventures which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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

- a) We did not audit the financial statements / financial information of **2 (Two)** subsidiaries, whose financial statements / financial information reflect total assets of **Rs. 19,765.15 Lakhs** as at 31st March, 2022, total revenues of **Rs. 1,405.41 Lakhs** and net cash outflows amounting to **Rs. 8.51 Lakhs** for the year ended on

that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of **Rs. 4,530.09 Lakhs** for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of **1 (One) associate & 3 (Three) joint ventures**, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors after considering the requirements of Standard of Auditing (SA 600) on 'using the work of another auditor including materiality' and the procedures performed by us as already stated above.

- b) We did not audit the financial statements/ information of branches of the Holding Company situated in Northern, Western and Southern Regions included in the consolidated financial statements of the Company whose financial statements/financial information reflect total assets of **Rs. 1,13,464.78 Lakhs** as at 31st March 2022 and the total revenue of **Rs. 1,66,402.44 Lakhs** for the year ended on that date, as considered in the consolidated financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory requirements

- As required under section 143(5) of the of the Companies Act, 2013, we give in the **Annexure-A**, a Statement on the Directions / Sub-Directions issued by the Comptroller and Auditor General of India after complying the suggested methodology of Audit, the action taken thereon and its impact on the accounts and consolidated financial statements of the Group.
- As required by Section 143(3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those

books and the reports of the other auditors.

- The reports on the accounts of the branch offices of the Holding Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules there under.
  - The provisions of Section 164(2) of the Companies Act, 2013 are not applicable to Government Companies in terms of notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Company Affairs, Government of India.
  - With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
  - 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:
    - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures - Refer Note 42.4(a) to the consolidated financial statements.
    - The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.
- The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary companies, associate companies

- and joint ventures incorporated in India, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that
- has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
4. As stated in Note No. 45 to the Consolidated Financial Statement
- a) The Final Dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.
- b) The Board of Directors of the Holding Company have proposed Final Dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
5. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries / joint ventures / associates included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **B. K. SHROFF & CO.**  
Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**

Membership No. 060742  
**UDIN: 22060742AJSZSA3860**

Place: Kolkata  
Date: 27th May, 2022

**ANNEXURE – A TO THE AUDITORS’ REPORT**

**DIRECTIONS/SUB-DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013 ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA TO THE INDEPENDENT AUDITORS OF BALMER LAWRIE & CO. LIMITED FOR CONDUCTING AUDIT OF ACCOUNTS FOR THE YEAR 2021-22.**

<b>CAG’s Directions</b>	<b>Our Observation</b>	<b>Impact on Financial statements</b>
(1) Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the accounting transactions of the Holding Company for the year are processed through the IT system vide ERP (SAP accounting package) and as per the examination of records as provided to us, there are consolidated intermediary software’s to capture the transactions related to certain functions in certain SBU’s (for example Mid Office software for Tours and Travel) and the transactions from these standalone softwares are posted in SAP for accounting purpose.	NIL
(1) Whether there is any restructuring of an existing Loan or cases of waiver/ write off of debt/ loans/interests, etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government Company, then this direction is also applicable for statutory auditor of lender company).	As per the information and explanations given by the management, there is no restructuring of loan or cases of waiver/ write off of debts/loans/interest etc made by a lender to the holding company during the year.  However, as disclosed in Note no. 20, bankers of a subsidiary company, M/s Visakhapatnam Port Logistics Park Limited had restructured its existing outstanding borrowing vide letter dated 01.06.2021.	The borrowings of the subsidiary company, M/s Visakhapatnam Port Logistics Park Limited were restructured under RBI’s resolution frame work for COVID-19 related stress with moratorium of 24 months and repayment commencement from September, 2022. The financial impact of the same is unascertainable and shall be determined when the actual repayment commences.
(2) Whether the fund (grant / subsidy etc.) received/receivable for specific scheme from Central/ State Government or its agencies were properly accounted for/ utilised as per its term and condition? List the case of deviation.	The Holding Company has been sanctioned a revised final Grant – in – Aid of Rs.6.72 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the holding company has been disbursed as full & final payments Rs.6.72 crores till 31.03.2022 for specified assets purchased [for Patalganga, Maharashtra] as according to the scheme document the fund is disbursed upon utilisation for specific purpose.	The accounting for the same has been done with regard to IND AS 20 “Accounting for Government Grants and Disclosure of Government Assistance”. Accordingly, the same has been treated as deferred income to be apportioned over the useful life of the assets. During the current financial year, a sum of Rs.45.00 Lakhs has been credited to the income in the statement of profit and loss account based on the accounting standard.

For **B. K. SHROFF & CO.**  
Chartered Accountants  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**

Membership No. 060742  
**UDIN: 22060742AJSZSA3860**

Place: Kolkata  
Date: 27th May, 2022

## ANNEXURE - B TO THE AUDITORS' REPORT

### 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 the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Balmer Lawrie & Company Limited** (hereinafter referred to as the "Holding Company") and its subsidiary, joint venture and associate companies, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The Boards of Directors of the Holding Company and its subsidiary, joint venture and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary, joint venture and associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on

the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary, joint venture and associate companies, which are companies incorporated in India.

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary, joint venture and associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting. Though certain areas require further strengthening, it does not have any material effect on the internal financial controls. The internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting



## Balmer Lawrie & Co. Ltd.

criteria established by the respective companies 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.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the

adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to **1 (one)** subsidiary company, **1 (One)** Joint Venture company and **1 (One)** associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B. K. SHROFF & CO.**  
*Chartered Accountants*  
Firm Registration No. 302166E

**(L. K. SHROFF)**  
**PARTNER**  
Membership No. 060742  
**UDIN: 22060742AJSZSA3860**

Place: Kolkata

Date: 27th May, 2022

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BALMER LAWRIE & COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2022.**

The preparation of consolidated financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2022 under section 143(6) (a) read with section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of Balmer Lawrie & Company Limited and its subsidiary viz., Visakhapatnam Port Logistics Park Limited but did not conduct supplementary audit of the financial statements of the subsidiaries, associate companies and jointly controlled entities as detailed in Annexure for the year ended on that date. **Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to the entities as detailed in Annexure being private entities/ entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

**1. Balance Sheet:****Non-current Liabilities:****Provisions: ₹ 6992.08 lakh**

The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹11.65 crore in M/s DHFL, M/s IL&FS, and M/s Reliance Capital along with interests of ₹ 2.28 crore. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chance of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 crore (₹11.65 crore + ₹ 2.28 crore - ₹ 1.91 crore) should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non- provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 crore with the corresponding overstatement of profit for the year by an equal amount.

**2. Balance Sheet:****Current Liabilities:****Non-financial Liabilities-Others: ₹ 6421.92 lakh**

An amount of ₹ 3.15 crore was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 crore had not transferred the balance amount of ₹ 3.01 crore to TSL. It is worthwhile to mention that, in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹ 3.01 crore against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.

Thus, non-provisioning of Liability of ₹ 3.01 crore towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 crore each with a corresponding of restatement of Profit for the year by ₹ 6.02 crore.

### 3. Balance sheet:

#### Non-current Liabilities:

Provision: Note-21: ₹ 6,992.08 Lakhs

#### Current Liabilities:

Provision: Note-26: ₹ 1952.91 lakh

The above heads of accounts do not include ₹ 13.29 crore (₹9.43 crore upto March 2020 and ₹ 3.86 crore for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹13.29 crore for the said unauthorised occupancy.

Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 crore as well as understatement of Provisions under Non-current Liabilities by ₹11.36 crore with corresponding overstatement of Profit for the year ₹ 13.29 crore.

**For and on the behalf of the  
Comptroller & Auditor General of India**

**(Suparna Deb)**

Director General of Audit (Mines)  
Kolkata

Place : Kolkata  
Date : 22/07/2022

### ANNEXURE

Name of Subsidiaries, Associates and Joint Venture Companies whose supplementary audit of the financial statements was not conducted by the Comptroller & Auditor General of India for the year ended 31 March 2022.

Sl. No.	Name of the Subsidiary/ Associate Companies	Name of relationship	Type of Entity
1.	Balmer Lawrie (UK) Limited	Subsidiary	Foreign Company
2.	Balmer Lawrie (UAE) Llc.	Joint Venture	Foreign Company
3.	P T Balmer Lawrie Indonesia	Joint Venture	Foreign Company
4.	Balmer Lawrie - Van Leer Limited	Joint Venture	Private Company
5.	Transafe Services Limited	Joint Venture	Private Company
6.	Avi-Oil India Private Limited	Associate	Private Company

Comments of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Balmer Lawrie & Company Limited for the year ended 31 <sup>st</sup> March, 2022	Management's Reply
<p><b>1. Balance Sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provisions : ₹ 6992.08 lakh</b></p> <p>The above does not include liability towards the Balmer Lawrie Staff Provident Fund in respect of doubtful investments of ₹ 11.65 Crores in M/s DHFL, M/s IL&amp;FS, and M/s Reliance Capital along with interests of ₹ 2.28 Crores. It was seen that in connection with all those entities, the National Company Law Tribunal ordered Corporate Insolvency Resolution Process. As a result of which chance of recovery of principal as well as interest amount from those entities seems to be remote. Thus, the Company as mandated by the provisions of law has to make good such losses of the concerned Provident Fund Trust. So far, an amount of ₹ 1.91 crore has already been paid by the Company towards this end. Therefore, the balance amount of ₹ 12.02 Crores (₹ 11.65 Crores + ₹ 2.28 Crores – ₹ 1.91 Crores) should have been provided for by the Company in its books of accounts during the financial year 2021-22. Non-provisioning of the same has resulted in understatement of Provisions under Non-current Liabilities by ₹ 12.02 Crores with the corresponding overstatement of profit for the year by an equal amount.</p>	<ul style="list-style-type: none"> <li>The total cumulative interest on the defaulting investments have been provided for in the BL's books as on 31<sup>st</sup> March, 2022.</li> <li>Against investments in M/s DHFL where the principal invested amount was Rs.2.10 Crores, Balmer Lawrie Staff Provident Fund (BLSPPF) has already received Rs.1.02 Crores and the net loss of Rs.1.08 Crores have already been provided as on 31.03.22.</li> <li>For other investments in M/s IL&amp;FS, M/s Jorabat Shillong Expressway Limited and M/s Reliance Capital, principal amount totalling to Rs.9.82 Crores, the final orders of Hon'ble NCLT are yet to be received, pending which, the amount of expected loss/ anticipatory provision remains completely indeterminate and since the final recoverable amount is not predictable or known currently, BL has not made any provision for the same.</li> <li>BL is liable, as per the BLSPPF Trust Rules, to make good any losses to BLSPPF to ensure that the minimum declared rate of interest (currently @8.10% for FY 2021-22 notified in the month of June, 2022) by the Government of India for any year is fully paid to all the beneficiaries. Also, after provisioning of interest for the year, BLSPPF continues to carry the surplus balance in addition to the liability on account of the beneficiaries, including their contribution and cumulative interest credited till 31<sup>st</sup> March, 2022.</li> <li>Even after payment of interest at the old declared rates @ 8.50% for the previous years (to the employees who have superannuated, resigned or transferred), there is surplus balance available with the BLSPPF, implying no further requirement of fund infusion by BL as on 31.03.2022.</li> <li>In view of the above clarifications, it is amply clear no further provision is required to be made in the books as on 31.03.2022. Based on internal discussions and review with the C&amp;AG, BL proposes to provide for 50% of the original investments of Rs.9.82 Crores during FY 2022-23. Necessary adjustments in the provision figures shall be made on receipt of the final orders of Hon'ble NCLT.</li> <li>BL further reiterates that it shall continue to make good the losses as and when required as per BLSPPF Trust Rules.</li> </ul> <p>Thus, it can be seen that based on the above facts, BL has no requirement of provision currently in the books and hence there is no understatement of Provisions or overstatement of profit for the year.</p>
<p><b>2. Balance Sheet:</b></p> <p><b>Current Liabilities:</b></p> <p><b>Non-financial Liabilities - Others: ₹ 6421.92 lakh.</b></p> <p>An amount of ₹ 3.15 Crores was received from M/s. ONGC Limited for a contract which was ultimately executed by Transafe Services Limited (TSL), a joint venture company based on a Memorandum of Understanding (MoU) entered into between ONGC Limited and the Company. As per the provisions of such MoU, the Company would receive the payment from ONGC Limited and in turn, transfer such payment to TSL after deducting its commission and other adjustments. It was, however, seen that the Company after deducting its commission of ₹ 0.14 Crores had not transferred the balance amount of ₹ 3.01 Crores to TSL. It is worthwhile to mention that,</p>	<ul style="list-style-type: none"> <li>The amount(s) which BL has adjusted and written back in its books are purely its operational dues. The letter dated 29.10.2020 of the IRP (appointed by Hon'ble NCLT) of TSL also acknowledges the dues of BL and also mentions the fact that BL can release the payments to TSL after adjusting (i) its claim of marketing commission for ONGC related projects and (ii) past dues of BL since the CIRP commencement date i.e. 21.11.2019.</li> <li>Invoices of Operational dues raised on TSL after 21.11.2019 amounts to Rs.2.73 Crores. Hence, adjustment is legally permitted by BL.</li> <li>BL has written back a sum of Rs.3.01 Crores received from M/s ONGC Limited in its books. Simultaneously, it has written off its dues from TSL in its books arising out of provision of manpower, rent, electricity and other related amounts for operational needs.</li> </ul>

<p><b>Comments of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Balmer Lawrie &amp; Company Limited for the year ended 31<sup>st</sup> March, 2022</b></p>	<p><b>Management's Reply</b></p>
<p>in the meantime, TSL had been referred to National Company Law Tribunal (NCLT) wherein Corporate Insolvency Resolution Process was ordered. But the claims of the Company on TSL was not considered by NCLT. As a result, the Company adjusted ₹ 3.01 Crores against the outstanding dues of TSL and had written off the balance amount of dues from its books. In this regard, Insolvency Resolution Professional of TSL informed the Company that any amount received from ONGC Limited had to be paid back to TSL without adjusting the same against the outstanding dues of TSL in the books of the Company. Therefore, by adjusting the said amount received from ONGC Limited against the dues from TSL, there was not only short provisioning of Liability but also understatement of Bad Debts written off in respect of TSL.</p> <p>Thus, non-provisioning of Liability of ₹ 3.01 Crores towards TSL resulted in understatement of Current Liabilities as well as understatement of Bad Debts written off by ₹ 3.01 Crores each with a corresponding of restatement of Profit for the year by ₹ 6.02 Crores.</p>	<ul style="list-style-type: none"> <li>Hence, the question of understatement of current liabilities or of bad debts does not arise as pointed out by Audit.</li> </ul> <p>In view of the above facts, there is no understatement of Current Liabilities/ Bad Debts or any overstatement of Profit for the year.</p>
<p><b>3. Balance sheet:</b></p> <p><b>Non-current Liabilities:</b></p> <p><b>Provision: Note-21 : ₹ 6992.08 lakh</b></p> <p><b>Current Liabilities:</b></p> <p><b>Provision: Note-26 : ₹ 1952.91 lakh</b></p> <p>The above heads of accounts do not include ₹ 13.29 Crores (₹ 9.43 Crores upto March 2020 and ₹ 3.86 Crores for the financial years 2020-21 and 2021-22) being the rent and compensation charges payable to Syama Prasad Mookerjee Port, Kolkata (Erstwhile Kolkata Port Trust or KoPT) towards expired leasehold land in respect of Industrial Packaging Unit at Kolkata. The above unit was closed by the Company in August 2020. The handing over of the leasehold land is yet to be completed (June 2022). As a result, Syama Prasad Mookerjee Port, Kolkata kept on raising compensation charges for such unauthorised occupancy at a higher rate of three times than the normal lease rental as per the Tariff Authority for Major Ports' approved Land Policy Guidelines. The Company, however, did not account for such enhanced liability of ₹ 13.29 Crores for the said unauthorised occupancy.</p> <p>Thus, non-provisioning of the same has resulted in understatement of Provisions under Current Liabilities by ₹ 1.93 Crores as well as understatement of Provisions under Non-current Liabilities by ₹ 11.36 Crores with corresponding overstatement of Profit for the year ₹ 13.29 Crores.</p>	<ul style="list-style-type: none"> <li>The lease agreement between BL and KoPT for use of the land at Industrial Packaging Plant at Kolkata (IPK) of KoPT by BL were continuing since a long time. The agreement which expired, was due for renewal from time to time and discussions were held between both the parties to renew the same.</li> <li>In the meanwhile, BL closed down its IPK unit in August, 2020 due to continuous losses and all the assets of the said plant were either transferred or disposed off.</li> <li>KoPT has been continuing to raise monthly compensation/rental invoices on IPK at the normal rates only and the same continues till date i.e. June, 2022 (last received invoice). These are being paid by BL on time by its IPK unit.</li> <li>Reconciliation with KoPT have been completed till December, 2018. Further, full and final reconciliation is going on currently and the said exercise shall be completed very soon and shall be shared with KoPT at the time of handing over the aforesaid portions of land by BL to KoPT in the month of August, 2022.</li> <li>The current invoices of KoPT mentions some old dues including interest which is merely arising out of reconciliation issues. The current detailed line wise outstanding statement of KoPT is available with the IPK unit of BL and sufficient progress has been made by them in identifying the reasons of short payments as reflecting in KoPT's statements which are primarily on account of non-accounting by KoPT of certain payments in totality and TDS deducted. This is a normal practice and on submission of reconciliation statement along with supporting documents, is expected to be resolved without any further liability arising to BL.</li> <li>Hence, based on the above facts and circumstances, BL does not envisage any liability of such magnitude as mentioned out by the Audit.</li> </ul> <p>In view of the same, there is no understatement of Provisions under Current Liabilities/ Non-current Liabilities or any overstatement of Profit for the year.</p>

Consolidated Balance Sheet as at 31st March 2022

Particulars	Note No	(₹ in Lakhs)	
		As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	64,124.97	63,623.03
(b) Right of Use Assets	3	12,340.48	12,749.83
(c) Capital work-in-progress		1,081.24	3,210.62
(d) Investment Properties	4	39.74	42.11
(e) Intangible Assets	5	273.59	309.06
(f) Financial Assets			
(i) Investments	6	43,647.94	38,618.04
(ii) Loans	7	181.86	199.32
(iii) Others	8	8.53	37.28
(g) Non Financial Assets - Others	10	1,396.33	956.05
<b>Total Non Current Assets</b>		<b>1,23,094.68</b>	<b>1,19,745.34</b>
<b>Current Assets</b>			
(a) Inventories	11	20,094.79	16,013.79
(b) Financial Assets			
(i) Trade Receivables	12	31,460.51	28,774.50
(ii) Cash & Cash equivalents	13	4,767.87	3,557.84
(iii) Other Bank Balances	14	36,858.88	49,677.16
(iv) Loans	15	866.63	948.78
(v) Others	16	20,911.83	12,321.68
(c) Non Financial Assets - Others	17	6,569.67	6,880.34
<b>Total Current Assets</b>		<b>1,21,530.18</b>	<b>1,18,174.09</b>
<b>Total Assets</b>		<b>2,44,624.86</b>	<b>2,37,919.43</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	18	17,100.38	17,100.38
(b) Other Equity	19	1,41,663.15	1,37,101.37
		<b>1,58,763.53</b>	<b>1,54,201.75</b>
<b>MINORITY INTEREST</b>			
Equity attributable to Non Controlling Interest			
(a) Equity Share Capital	19	5,402.60	5,402.60
(b) Other Equity		(1,817.79)	(1,489.43)
		<b>3,584.81</b>	<b>3,913.17</b>
<b>Total Equity</b>		<b>1,62,348.34</b>	<b>1,58,114.93</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	8,830.46	9,330.43
(ii) Lease Liabilities		1,976.85	2,113.53
(iii) Other Financial Liabilities	20	13.60	19.44
(b) Provisions	21	6,992.08	5,282.51
(c) Deferred Tax Liabilities (net)	9	10,873.23	9,842.10
(d) Non Financial Liabilities-Others	22	948.84	806.64
<b>Total Non Current Liabilities</b>		<b>29,635.06</b>	<b>27,394.65</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	646.29	203.65
(ii) Lease Liabilities		743.94	869.80
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	23	789.53	818.15
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	26,506.63	26,327.70
(iv) Other Financial Liabilities	24	13,066.29	13,137.60
(b) Non Financial Liabilities-Others	25	6,421.92	7,863.38
(c) Provisions	26	1,952.91	681.39
(d) Current Tax Liabilities (net)	27	2,513.95	2,508.18
<b>Total Current Liabilities</b>		<b>52,641.46</b>	<b>52,409.85</b>
<b>Total Equity and Liabilities</b>		<b>2,44,624.86</b>	<b>2,37,919.43</b>

Summary of Significant Accounting Policies

The accompanying notes are integral part of the financial statements.

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

As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**CA. L. K. Shroff**  
Partner  
Membership No. 060742  
Kolkata, 27th May, 2022

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Adhip Nath Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Kavita Bhavsar**  
Company Secretary

**Statement of Consolidated Profit and Loss for the year ended 31st March 2022**

	Note No.	For the year ended 31 March 2022	(₹ in Lakhs) For the year ended 31 March 2021
<b>Income</b>			
I	28	2,05,534.52	1,52,898.45
II	29	3,711.54	4,925.73
III		<b>Total Income (I+II)</b>	<b>1,57,824.18</b>
<b>Expenses</b>			
IV	30	1,42,681.45	98,280.91
	31	1,276.51	359.93
	32	(468.74)	34.03
	33	22,758.58	21,837.83
	34	1,358.93	1,191.57
	35	5,579.23	5,502.28
	36	22,380.93	18,339.22
		<b>Total Expenses (IV)</b>	<b>1,45,545.77</b>
V		<b>Profit before exceptional items and Tax (III-IV)</b>	<b>12,278.41</b>
VI		Exceptional Items	-
VII		<b>Profit before Tax (V-VI)</b>	<b>12,278.41</b>
VIII		Tax Expense	
	37	(1) Current Tax	3,351.91
	9	(2) Deferred Tax	667.22
IX		<b>Profit for the year from Continuing Operations (VII-VIII)</b>	<b>8,259.28</b>
X		<b>Profit/(Loss) from Discontinued Operations</b>	-
XI		Tax expense of Discontinued Operations	-
XII		<b>Profit/(Loss) from Discontinued Operations (after tax) (X-XI)</b>	-
XIII		<b>Profit/(Loss) after Tax before share of Profit/(Loss) of Joint Ventures and Associates (IX+XII)</b>	<b>8,259.28</b>
XIV		<b>Share of Profit/(Loss) of Joint Ventures and Associates (net)</b>	<b>3,270.20</b>
XV		<b>Profit/(Loss) for the year (XIII+XIV)</b>	<b>11,529.48</b>
		<b>Attributable to:</b>	
		(a) Shareholders of the Company	12,032.98
		(b) Non Controlling Interest	(503.50)
XVI	38	<b>Other Comprehensive Income</b>	
		A i) Items that will not be reclassified to profit or loss	(18.40)
		ii) Income tax relating to items that will not be reclassified to profit or loss	4.63
		B i) Items that will be reclassified to profit or loss	-
		ii) Income tax relating to items that will be reclassified to profit or loss	-
		C Other Comprehensive Income of Joint Ventures and Associates (net)	(40.70)
XVII		<b>Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)</b>	<b>11,475.01</b>
		<b>Attributable to:</b>	
		(a) Shareholders of the Company	11,978.51
		(b) Non Controlling Interest	(503.50)
XVIII	39	<b>Earnings per equity share (for Continuing Operations):</b>	
		(1) Basic (₹)	7.04
		(2) Diluted (₹)	7.04
XIX	39	<b>Earnings per equity share (for Discontinued Operations):</b>	
		(1) Basic (₹)	-
		(2) Diluted (₹)	-
XX	39	<b>Earnings per equity share (for Discontinued &amp; Continuing Operations):</b>	
		(1) Basic (₹)	7.04
		(2) Diluted (₹)	7.04

**Summary of Significant Accounting Policies**

The accompanying notes are integral part of the financial statements.

This is the Statement of Profit/Loss referred to in our report of even date. As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**CA. L. K. Shroff**  
Partner  
Membership No. 060742  
Kolkata, 27th May, 2022

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Director  
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DIN 08695322

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Independent Director  
DIN 09402294

**Kavita Bhavsar**  
Company Secretary

**Consolidated Cash Flow Statement for the period ended 31st March 2022**

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Cash flow from Operating Activities</b>		
Net profit before tax	13,679.17	12,278.41
<b>Adjustments for:</b>		
Depreciation and Amortisation	5,579.23	5,502.28
Write off/Provision for doubtful trade receivables (Net)	80.28	(1,248.08)
Write off/Provision for Inventories (Net)	(49.85)	(5.68)
Other Write off/Provision ( Net)	6.23	145.95
(Gain)/ Loss on sale of fixed assets (net)	(449.18)	(10.24)
(Gain)/ Loss on disposal/sale of Investments (net)	-	(49.20)
Interest Income	(2,655.91)	(2,897.48)
Dividend Income	(1.50)	(6.15)
Finance costs	1,358.93	1,191.57
<b>Operating Cash Flows before working capital changes</b>	<b>17,547.40</b>	<b>14,901.38</b>
<b>Changes in operating assets and liabilities (working capital changes)</b>		
(Increase)/Decrease in trade receivables	(2,766.29)	(175.64)
(Increase)/Decrease in non current assets	(612.08)	(646.54)
(Increase)/Decrease in inventories	(4,031.15)	(1,502.41)
(Increase)/Decrease in other short term financial assets	(8,514.23)	7,645.43
(Increase)/Decrease in other current assets	103.86	272.23
Increase/(Decrease) in trade payables	144.48	4,987.91
Increase/(Decrease) in long term provisions	1,709.57	954.70
Increase/(Decrease) in short term provisions	1,271.52	(897.69)
Increase/(Decrease) in other liabilities	(177.44)	1,228.61
Increase/(Decrease) in other current liabilities	117.82	99.98
<b>Cash flow generated from operations</b>	<b>4,793.46</b>	<b>26,867.96</b>
Income taxes paid (Net of refunds)	(4,563.03)	(2,509.37)
<b>Net Cash (used in) / generated from Operating Activities</b>	<b>A 230.43</b>	<b>24,358.59</b>
<b>Cash flow from Investing Activities</b>		
Purchase/ Construction of Property, Plant and Equipment	(2,299.01)	(4,379.52)
Purchase of Investments	(24.99)	(75.01)
Proceeds on sale of Property, Plant and Equipment	515.53	46.90
Proceeds on disposal/ sale of Investments	-	95.15
Bank deposits (having original maturity of more than three months) (Net)	12,846.52	(6,636.25)
Interest received	2,655.91	2,897.48
Dividend received	1.50	6.15
<b>Net Cash (used in)/ generated from Investing Activities</b>	<b>B 13,695.46</b>	<b>(8,045.10)</b>
<b>Cash flow from Financing Activities</b>		
Repayment of borrowings	(57.32)	(137.99)
Dividend paid	(10,231.99)	(12,779.38)
Repayment of lease liabilities	(1,067.62)	(746.56)
Finance costs	(1,358.93)	(1,191.57)
<b>Net Cash (used in)/ generated from Financing Activities</b>	<b>C (12,715.86)</b>	<b>(14,855.50)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,210.03</b>	<b>1,457.99</b>
Cash and Cash Equivalents at the beginning of the Year	3,557.84	2,099.85
Cash and Cash Equivalents at the end of the year	4,767.87	3,557.84
<b>Movement in cash balance</b>	<b>1,210.03</b>	<b>1,457.99</b>
<b>Reconciliation of Cash and Cash Equivalents as per cash flow statement</b>		
Cash and Cash Equivalents as per above comprise of the following:		
Cash in hand	2.33	0.79
Balance with banks in current accounts	4,765.54	3,557.05
	<b>4,767.87</b>	<b>3,557.84</b>

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

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No. 060742  
Kolkata, 27th May, 2022

**Adika Ratna Sekhar**  
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DIN 08695322

**Kavita Bhavsar**  
Company Secretary



**Consolidated Statement of Changes in Equity for the year ended 31st March, 2022**

**A. Equity Share Capital**

**(1) Current reporting period**

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
17,100.38	0.00	17,100.38	0.00	17,100.38

**(2) Previous reporting period**

(₹ in Lakhs)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
17,100.38	0.00	17,100.38	0.00	17,100.38

**B. Other Equity**

**(1) Current reporting period**

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income Reserve	Minority Interest	Total
	Securities Premium	General Reserve	Retained earnings	Foreign Currency Translation			
Balance at the beginning of the current reporting period	3,626.77	29,903.69	1,04,876.03	(34.71)	(1,270.41)	(1,489.43)	1,35,611.94
Changes in Accounting policy or prior period errors							
Restated balance at the beginning of the current reporting period	3,626.77	29,903.69	1,04,876.03	(34.71)	(1,270.41)	(1,489.43)	1,35,611.94
Total Comprehensive Income for the current Year	-	-	13,475.46	-	-	-	13,475.46
Dividends paid	-	-	(10,260.23)	-	-	-	(10,260.23)
Profit for the year for minority interest	-	-	-	-	-	(328.36)	(328.36)
Retained earnings adjustments	-	-	-	-	-	-	-
Remeasurement gain/ (loss) during the year	-	-	1,991.17	116.20	(760.82)	-	1,346.55
Balance at the end of the current reporting period	3,626.77	29,903.69	1,10,082.43	81.49	(2,031.23)	(1,817.79)	1,39,845.36

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2022**
**(2) Previous reporting period**
**(₹ in Lakhs)**

Particulars	Reserves and Surplus				Other Comprehensive Income Reserve	Minority Interest	Total
	Securities Premium	General Reserve	Retained earnings	Foreign Currency Translation			
Balance at the beginning of the previous reporting period	3,626.77	29,903.69	1,05,832.39	135.96	(1,215.94)	(985.93)	1,37,296.94
Changes in Accounting policy or prior period errors							
Restated balance at the beginning of the previous reporting period	3,626.77	29,903.69	1,05,832.39	135.96	(1,215.94)	(985.93)	1,37,296.94
Total Comprehensive Income for the previous Year	-	-	11,529.48	-	-	-	11,529.48
Dividends paid	-	-	(12,825.29)	-	-	-	(12,825.29)
Profit for the year for minority interest	-	-	-	-	-	(503.50)	(503.50)
Retained earnings adjustments	-	-	339.45	-	-	-	339.45
Remeasurement gain/ (loss) during the year	-	-	-	(170.67)	(54.47)	-	(225.14)
Balance at the end of the previous reporting period	3,626.77	29,903.69	1,04,876.03	(34.71)	(1,270.41)	(1,489.43)	1,35,611.94

This is the Statement of Changes in equity referred to in our report of even date.  
As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
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**Kavita Bhavsar**  
Company Secretary

## Significant Accounting Policies and other explanatory information to the Consolidated financial statements for the year ended 31 March 2022

### GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the "Company") is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The group is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

#### Basis of Preparation

The consolidated financial statements relates to the Company along with its subsidiaries and its interest in joint ventures and associates (collectively referred to as the 'Group') and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Group has uniformly applied the accounting policies during the period presented. These are the Group's financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lacs of Rupees.

All assets and liabilities have been classified as current or non-current as per the groups normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The consolidated financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated financial statements have been prepared using the accounting policies and measurement basis summarized below.

#### 1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

#### 1.2 Basis of consolidation

##### Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions

between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

##### Joint ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only joint ventures.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Group's balance sheet.

##### Associates

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

##### Equity method

In consolidated financial statements, the carrying amount of the investment is adjusted to recognize changes in the group's share of net assets of the joint venture/associate. Goodwill relating to the joint venture/ associate is included in the carrying amount of the investment and is not tested for impairment individually.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

#### 1.3 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in- Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Property, Plant & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Plant and Machinery other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, Plant & Equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Plant and Machinery, is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	7 years
Sofa, Photocopier, Fax machines, Motor Cars & Machine Spares	5 years

The residual values of all assets are taken as NIL.

#### 1.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

#### 1.5 Financial Instruments

##### *Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

##### *Classification and subsequent measurement of financial assets*

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

##### *Amortised cost*

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment

when they are past due and based on Group's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Group has a diversified portfolio of trade receivables from its different segments. Every business segment of the Group has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Group as a whole, The Group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

#### 1.6 Inventories

Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

- a) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- b) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- c) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- d) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

#### 1.7 Employee benefits

##### (i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

##### (ii) Post-employment obligations

###### Defined Contribution Plans

Provident Fund: the group transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund: the group contributes for eligible employees, a sum equivalent to 9% and 8% for Executives and Officers, respectively of salary, to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) (for eligible optees for LIC managed scheme) or to the fund administered and managed by the NPS Trust (for balance eligible optees for NPS managed scheme). The group has no further obligations on this account. These are recognised as and when they are due.

###### Defined Benefit Plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes

in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### (iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

### 1.8 Government grants

- a) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.
- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### 1.9 Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

#### c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

### 1.10 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the group, and makes strategic decisions and have identified business segment as its primary segment.

### 1.11 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.
- b) Contingent liabilities are disclosed in respect of possible

obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group.

- c) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

### 1.12 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ₹500,000 and above and license to use software per item of ₹25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

### 1.13 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

### 1.14 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

### 1.15 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

### 1.16 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability

unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

### 1.17 Leases

#### The Group as a lessee

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets three key evaluations of whether:

- a) The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- b) The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- c) The Group has the right to direct the use of the identified asset throughout the period of use.

#### Measurement and recognition of leases

At lease commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost, which includes the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use asset on a straight-line

basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when any indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to the initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases i.e. for leases for period less than 12 months and leases of low-value i.e. value of leased asset which is less than ₹ 350000 using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. In the Balance Sheet, right-of-use assets have been disclosed under non-current assets and lease liabilities have been disclosed under financial liabilities.

#### The Group as a lessor

The Group classifies leases as either operating or finance leases. A lease is classified as a finance lease if the group transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, and classifies it as an operating lease if otherwise.

### 1.18 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

#### Sale of goods

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

#### Services rendered:

- a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.
- c) In cases where the Group collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

#### Other income:

- a) Interest on a time proportion basis using the effective Interest rate method
- b) Dividend from investments in shares on establishment of the Group's right to receive.
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement.
- d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The group accounts for volume discounts and pricing incentives

to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the group.

As a practical expedient, as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

#### *Significant payment terms:*

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

### 1.19 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

### 1.20 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

### 1.21 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

- restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- Any items exceeding rupees twenty five lacs (₹25 Lacs) shall be considered as material prior period item.
- Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the group shall restate the opening balances of assets, liabilities and equity for the earliest prior period for which retrospective restatement is practicable (which may be the current period).

### 1.22 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No. 060742  
Kolkata, 27th May, 2022

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Adhip Nath  
Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

## Notes to the Consolidated Financial Statements for the year ended 31st March 2022

## Note No. 2

## Property, Plant and Equipment

(₹ in Lakhs)

FY 2021-22 Particulars	Property, Plant and Equipment											Total	
	Land - Freehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles		
<b>Gross Block</b>													
Balance as at 1 April 2021	2,428.49	41,145.88	22,067.34	123.85	5,077.69	1,552.51	2,426.56	2,488.54	733.21	1,016.11	820.77	<b>79,880.94</b>	
Additions	-	1,621.46	1,280.14	6.96	318.14	186.47	469.74	397.46	19.29	-	28.52	<b>4,328.18</b>	
Disposal of assets	-	(5.01)	(1,073.54)	(40.67)	(263.14)	(33.69)	(188.07)	(87.00)	(0.39)	-	(497.37)	<b>(2,188.88)</b>	
<b>Gross Block as at March 31 2022</b>	<b>2,428.49</b>	<b>42,762.33</b>	<b>22,273.94</b>	<b>90.14</b>	<b>5,132.69</b>	<b>1,705.29</b>	<b>2,708.23</b>	<b>2,799.00</b>	<b>752.11</b>	<b>1,016.11</b>	<b>351.92</b>	<b>82,020.24</b>	
<b>Accumulated depreciation</b>													
Balance as at 1 April 2021	-	4,157.20	5,255.46	16.55	2,168.29	593.05	1,837.01	1,109.57	457.75	287.11	375.93	<b>16,257.92</b>	
Depreciation charge for the year	-	1,155.15	1,118.07	25.93	490.03	156.33	410.68	260.28	67.29	94.60	113.34	<b>3,891.70</b>	
Disposal of assets	-	(3.23)	(913.23)	(40.67)	(260.04)	(32.82)	(187.26)	(80.49)	(0.39)	-	(484.35)	<b>(2,002.48)</b>	
Reclassification/Adjustments	-	(1.79)	(243.29)	-	(0.75)	-	-	(6.03)	-	-	-	<b>(251.86)</b>	
<b>Accumulated Depreciation as at March 31 2022</b>	<b>-</b>	<b>5,307.33</b>	<b>5,217.01</b>	<b>1.81</b>	<b>2,397.53</b>	<b>716.56</b>	<b>2,060.43</b>	<b>1,283.33</b>	<b>524.65</b>	<b>381.71</b>	<b>4.92</b>	<b>17,895.27</b>	
<b>Net Block as at Mar 31 2022</b>	<b>2,428.49</b>	<b>37,455.00</b>	<b>17,056.93</b>	<b>88.33</b>	<b>2,735.16</b>	<b>988.73</b>	<b>647.80</b>	<b>1,515.67</b>	<b>227.46</b>	<b>634.40</b>	<b>347.00</b>	<b>64,124.97</b>	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

FY 2020-21 Particulars	Property, Plant and Equipment											Total	
	Land - Freehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles		
<b>Gross Block</b>													
Balance as at 1 April 2020	2,428.49	39,763.01	21,502.73	53.21	4,657.78	1,478.02	2,329.36	2,300.18	724.74	1,016.11	367.83	<b>76,621.45</b>	
Additions	-	1,315.45	646.73	78.30	443.65	82.31	151.91	189.26	8.47	-	482.59	<b>3,398.67</b>	
Disposal of assets	-	-	(82.12)	(7.66)	(23.74)	(7.82)	(54.71)	(0.90)	-	-	(29.65)	<b>(206.60)</b>	
Reclassification*	-	67.42										<b>67.42</b>	
<b>Gross Block as at March 31 2021</b>	<b>2,428.49</b>	<b>41,145.88</b>	<b>22,067.34</b>	<b>123.85</b>	<b>5,077.69</b>	<b>1,552.51</b>	<b>2,426.56</b>	<b>2,488.54</b>	<b>733.21</b>	<b>1,016.11</b>	<b>820.77</b>	<b>79,880.94</b>	
<b>Accumulated depreciation</b>													
Balance as at 1 April 2020	-	3,003.91	4,239.67	10.55	1,690.05	439.02	1,532.50	870.35	385.37	190.81	301.11	<b>12,663.33</b>	
Depreciation charge for the year	-	1,150.04	1,067.36	13.67	500.52	161.76	358.58	240.10	72.38	96.30	102.27	<b>3,762.98</b>	
Disposal of assets	-	-	(49.86)	(7.67)	(22.28)	(7.73)	(54.07)	(0.88)	-	-	(27.45)	<b>(169.94)</b>	
Reclassification/Adjustments*	-	3.25	(1.71)									<b>1.54</b>	
<b>Accumulated Depreciation as at March 31 2021</b>	<b>-</b>	<b>4,157.20</b>	<b>5,255.46</b>	<b>16.55</b>	<b>2,168.29</b>	<b>593.05</b>	<b>1,837.01</b>	<b>1,109.57</b>	<b>457.75</b>	<b>287.11</b>	<b>375.93</b>	<b>16,257.91</b>	
<b>Net Block as at March 31 2021</b>	<b>2,428.49</b>	<b>36,988.69</b>	<b>16,811.88</b>	<b>107.30</b>	<b>2,909.40</b>	<b>959.46</b>	<b>589.55</b>	<b>1,378.97</b>	<b>275.46</b>	<b>729.00</b>	<b>444.85</b>	<b>63,623.03</b>	

\* Reclassification on account of transfer from Investment Property to Property Plant & Equipment owing to the change in the usage of the property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No.3

Right of Use Assets

(₹ in Lakhs)

Particulars	Right of Use Assets				Total
	Land - Leasehold	Buildings	Plant & Machinery	Electrical Equipments	
<b>Gross Block</b>					
Balance as at 1 April 2020	3,249.81	10,178.67	1,096.88	30.85	14,556.21
Additions	513.07	566.43	704.05	28.54	1,812.09
Disposal/Deletion/Adjustment/Retirement	-	(242.36)	(422.84)	-	(665.20)
<b>Gross Block as at Mar 31 2021</b>	<b>3,762.88</b>	<b>10,502.74</b>	<b>1,378.09</b>	<b>59.39</b>	<b>15,703.10</b>
Additions	359.94	35.54	763.97	23.34	1,182.79
Disposal/Deletion/Adjustment/Retirement	-	(69.31)	-	(31.17)	(100.48)
<b>Gross Block as at Mar 31 2022</b>	<b>4,122.82</b>	<b>10,468.97</b>	<b>2,142.06</b>	<b>51.56</b>	<b>16,785.41</b>
<b>Accumulated depreciation</b>					
Balance as at 1 April 2020	316.54	917.67	616.33	22.52	1,873.06
Depreciation charge for the year	73.95	874.90	638.40	14.96	1,602.21
Disposal/Deletion/Adjustment/Retirement	-	(96.05)	(425.95)	-	(522.00)
<b>Accumulated Depreciation as at Mar 31 2021</b>	<b>390.49</b>	<b>1,696.52</b>	<b>828.78</b>	<b>37.48</b>	<b>2,953.27</b>
Depreciation charge for the year	82.93	831.55	633.29	24.66	1,572.73
Disposal/Deletion/Adjustment/Retirement	-	(49.52)	(0.08)	(31.17)	(80.77)
<b>Accumulated Depreciation as at Mar 31 2022</b>	<b>473.42</b>	<b>2,478.55</b>	<b>1,461.99</b>	<b>30.97</b>	<b>4,444.93</b>
<b>Net Block as at Mar 31 2022</b>	<b>3,649.40</b>	<b>7,990.42</b>	<b>680.07</b>	<b>20.59</b>	<b>12,340.48</b>
<b>Net Block as at Mar 31 2021</b>	<b>3,372.39</b>	<b>8,806.21</b>	<b>549.31</b>	<b>21.92</b>	<b>12,749.83</b>

Note No 4.

Investment Properties

(₹ in Lakhs)

<b>Particulars</b>	
<b>Gross Carrying Amount (Deemed Cost)</b>	
As at 1 April 2020	118.27
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	(67.42)
<b>Balance as at 31 March 2021</b>	<b>50.85</b>
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	-
<b>Balance as at 31 March 2022</b>	<b>50.85</b>
<b>Accumulated Depreciation</b>	
As at 1 April 2020	9.75
Depreciation charge for the year	2.19
Disposals/adjustments for the year	-
Investment Property - Reclassified	(3.19)
<b>Balance as at 31 March 2021</b>	<b>8.75</b>
Depreciation charge for the year	2.36
Disposals/adjustments for the year	-
Investment Property - Reclassified	-
<b>Balance as at 31 March 2022</b>	<b>11.11</b>
<b>Net Book Value as at 31 March 2022</b>	<b>39.74</b>
<b>Net Book Value as at 31 March 2021</b>	<b>42.11</b>

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### (i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

### (ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2022 or previous year ended 31 March 2021.

### (iii) Restrictions

There are no restrictions on remittance of income receipts or receipt of proceeds from disposals.

### (iv) Amount recognised in profit and loss for investment properties

(₹ in Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental income	160.11	170.18
Less: Direct operating expenses that generated rental income	7.97	16.80
Less: Direct operating expenses that did not generate rental income	28.69	28.80
<b>Profit/ (Loss) from leasing of investment properties</b>	<b>123.45</b>	<b>124.58</b>

### (v) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

### (vi) Fair value

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Fair value</b>	<b>2,314.38</b>	<b>2,207.62</b>

The Company obtains independent valuations for its investment properties at least annually. The fair value of investment property (as measured for disclosure purpose in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

### Note No. 5

#### Intangible Assets

(₹ in Lakhs)

Particulars	Softwares	Brand Value	Total
<b>Gross Carrying Amount</b>			
Balance as at 1 April 2020	771.91	332.63	1,104.54
Additions	168.56	-	168.56
Disposals/adjustments	3.85	-	3.85
<b>Balance as at 31 March 2021</b>	<b>944.32</b>	<b>332.63</b>	<b>1,276.96</b>
Additions	77.27	-	77.27
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,021.59</b>	<b>332.63</b>	<b>1,354.23</b>
<b>Accumulated Amortisation</b>			
Balance as at 1 April 2020	639.18	190.00	829.18
Amortization charge for the year	96.88	38.00	134.88
Disposals/adjustments for the year	3.84	-	3.84
<b>Balance as at 31 March 2021</b>	<b>739.90</b>	<b>228.00</b>	<b>967.90</b>
Amortization charge for the year	74.74	38.00	112.74
Disposals/adjustments for the year	-	-	-
<b>Balance as at 31 March 2022</b>	<b>814.64</b>	<b>266.00</b>	<b>1,080.64</b>
<b>Net Book Value as at 31 March 2022</b>	<b>206.95</b>	<b>66.63</b>	<b>273.59</b>
<b>Net Book Value as at 31 March 2021</b>	<b>204.42</b>	<b>104.63</b>	<b>309.06</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**
**Note No. 6**
**Financial Assets-Investments (Non-Current)**

(Unquoted, unless otherwise stated)

(₹ in Lakhs)

Name of the Body Corporate	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Amount	No of Shares	Amount
<b>(A) Trade Investments</b>				
<b><u>Investment in Equity Instruments</u></b>				
<b><u>(Fully paid stated at Cost)</u></b>				
<b>(i) <u>In Joint Venture Companies</u></b>				
Balmer Lawrie -Van Leer Ltd. (Ordinary Equity Shares of ₹10 each)	86,01,277	9,305.56	86,01,277	7,898.92
Transafe Services Ltd.* (Ordinary Equity Shares of ₹10 each)	1,13,61,999	1,165.12	1,13,61,999	1,165.12
Less: Provision for diminution in value		(1,165.12)		(1,165.12)
Balmer Lawrie (UAE) LLC (Ordinary Equity Shares of AED 1,000 each)	9,800	32,293.98	9,800	28,817.75
PT. BALMER LAWRIE INDONESIA (Equity Shares of par value of Indonesian Rupiah (IDR) 10,000 each)	20,00,000	-	20,00,000	-
<b>(ii) <u>In Subsidiary Companies</u></b>				
Balmer Lawrie (UK) Ltd.* (Ordinary Equity Shares of GBP 1 each)	-	-	100	-
Visakhapatnam Port Logistics Park Ltd. (Ordinary Equity Shares of ₹10 each)	8,10,38,978	-	8,10,38,978	-
<b>(iii) <u>In Associate Company</u></b>				
AVI-OIL India (P) Ltd. (Ordinary Equity Shares of ₹10 each)	45,00,000	1,888.95	45,00,000	1,751.91
<b><u>Investments in Preference Shares</u></b>				
<b><u>(Fully paid stated at Cost)</u></b>				
Transafe Services Ltd.* (Cumulative Redeemable Preference Shares of ₹10 each)	1,33,00,000	1,330.00	1,33,00,000	1,330.00
Less: Provision for diminution in value		(1,330.00)		(1,330.00)
<b>Sub Total</b>		<b>43,488.49</b>		<b>38,468.58</b>
<b>(B) <u>Other Investments</u></b>				
<b><u>(Fully paid stated at Cost)</u></b>				
Bridge & Roof Co. (India) Ltd. (Ordinary Equity Shares of ₹10 each)	3,57,591	14.01	3,57,591	14.01
Biecco Lawrie Ltd. (Ordinary Equity Shares of ₹10 each) (Carried in books at a value of ₹1 only), net of Provision for diminution in value	1,95,900	-	1,95,900	0.00
RC Hobbytech Solutions Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 1 each) of ₹1350 each including premium)	10,000	135.00	4,444	59.99
Add: New Investments made	-	-	5,556	75.01
Less: Transferred to Incubator	(1,111)	(15.00)	-	-
	<b>8,889</b>	<b>120.00</b>	<b>10,000</b>	<b>135.00</b>
Kanpur Flowercycling Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 10 each) of ₹ 9592 each including premium)	-	-	479	45.95
Less: Shares Sold/Transferred	-	-	(479)	(45.95)
Less: Transferred to Incubator	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Name of the Body Corporate	As at 31 March 2022		As at 31 March 2021	
	No of Shares	Amount	No of Shares	Amount
Ram Prasad Meena Technologies Pvt. Ltd. (Ordinary Equity Shares (Face Value ₹ 10 each) of ₹2360 each including premium)	-	-	-	-
Add: New Investments made	1,059	24.99	-	-
Less: Shares Sold	-	-	-	-
Less: Transferred to Incubator	-	-	-	-
	1,059	24.99	-	-
Woodlands Multispeciality Hospitals Ltd. (Ordinary Equity Shares of ₹10 each)	8,850	0.45	8,850	0.45
<b>Sub Total</b>		<b>159.45</b>		<b>149.46</b>
<b>Total</b>		<b>43,647.94</b>		<b>38,618.04</b>
<b>Aggregate amount of quoted investments at Cost</b>		-		-
<b>Aggregate amount of unquoted investments at Cost</b>		<b>43,647.94</b>		<b>38,618.04</b>
<b>Total</b>		<b>43,647.94</b>		<b>38,618.04</b>

\* Refer details given in Note No. 42.1 of the Notes to Accounts.

### Note No. 7

#### Financial Assets- Loans (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Secured considered good Other Loans	181.86	199.32
Unsecured Considered Doubtful Other Loans	43.52	24.92
Provision for doubtful Loans Other Loans	(43.52)	(24.92)
<b>Total</b>	<b>181.86</b>	<b>199.32</b>

### Note No. 8

#### Financial Assets- Others (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Unsecured considered good Other Receivables	8.53	37.28
<b>Total</b>	<b>8.53</b>	<b>37.28</b>

### Note No. 9

#### Deferred Tax Liabilities

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Deferred Tax Liability arising on account of :</b>		
Property, Plant and Equipment	(5,513.41)	(4,904.39)
<b>Deferred Tax Asset arising on account of :</b>		
Adjustment for VRS expenditure	87.16	116.22
Provision for loans, debts, deposits & advances	1,057.67	1,031.66
Defined Benefit Plans	2,073.85	1,342.72
Provision for Inventory	86.35	98.89

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	As at 31 March 2022	As at 31 March 2021
Provision for diminution in investment	593.29	593.29
Net Liability due to profit transfer of Group Companies	(9,258.14)	(8,120.49)
<b>Total</b>	<b>(10,873.23)</b>	<b>(9,842.10)</b>

**Movement in Deferred Tax Liabilities (Net)**

(₹ in Lakhs)

Particulars	As at 31 March 2021	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2022
Property, Plant and Equipment	(4,904.39)	(609.02)	-	(5,513.41)
Adjustment for VRS expenditure	116.22	(29.06)	-	87.16
Provision for loans, debts, deposits & advances	1,031.66	26.01	-	1,057.67
Defined Benefit Plans	1,342.72	459.61	271.52	2,073.85
Provision for Inventory	98.89	(12.54)	-	86.35
Provision for diminution in Investment	593.29	-	-	593.29
Net Liability due to profit transfer of Group Companies	(8,120.49)	-	(1,137.65)	(9,258.14)
<b>Total</b>	<b>(9,842.10)</b>	<b>(165.00)</b>	<b>(866.13)</b>	<b>(10,873.23)</b>

**Note No. 10**
**Non Financial Assets - Others (Non - Current)**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Capital Advances	18.25	20.08
<b>Advances other than Capital Advances</b>		
Security Deposits	701.45	666.20
Balances with Government Authorities	627.20	205.84
Prepaid Expenses	14.51	17.29
Others	34.92	46.64
<b>Total</b>	<b>1,396.33</b>	<b>956.05</b>

**Note No. 11**
**Inventories**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Raw Materials and Components	14,202.51	10,693.83
Goods-in-transit	24.80	-
Slow moving & non moving	93.26	162.58
Less: Adjustment for slow moving & non moving	(70.03)	(123.22)
<b>Total - Raw Materials and Components</b>	<b>14,250.54</b>	<b>10,733.19</b>
Work in Progress	1,191.15	974.78
Slow moving & non moving	0.43	-
Less: Adjustment for slow moving & non moving	(0.21)	-
<b>Total - Work in Progress</b>	<b>1,191.37</b>	<b>974.78</b>
Finished Goods	3,607.16	3,298.76
Goods-in transit	157.77	220.20
Slow moving & non moving	94.96	100.03
Less: Adjustment for slow moving & non moving	(59.27)	(70.52)
<b>Total - Finished Goods</b>	<b>3,800.62</b>	<b>3,548.47</b>
Stores and Spares	780.95	662.91
Slow moving & non moving	284.87	293.63
Less: Adjustment for slow moving & non moving	(213.56)	(199.19)
<b>Total - Stores and Spares</b>	<b>852.26</b>	<b>757.35</b>
<b>Total</b>	<b>20,094.79</b>	<b>16,013.79</b>

[Refer to Point No.1.6 of "Significant Accounting Policies" for method of valuation of inventories]

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note No. 12

#### Trade Receivables

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Considered good - Unsecured	31,460.51	28,774.50
Trade Receivables- Credit impaired	1,428.92	1,258.50
Less: Provision for Impairment	(1,428.92)	(1,258.50)
<b>Grand Total</b>	<b>31,460.51</b>	<b>28,774.50</b>
<b>Trade receivables outstanding for a period less than six months</b>		
Considered good- Unsecured	30,090.71	27,225.46
Trade Receivables- Credit Impaired	242.06	153.44
Less: Provision for Impairment	(242.06)	(153.44)
<b>Sub Total</b>	<b>30,090.71</b>	<b>27,225.46</b>
<b>Trade receivables outstanding for a period exceeding six months</b>		
Considered good- Unsecured	1,369.80	1,549.04
Trade Receivables- Credit Impaired	1,186.86	1,105.06
Less: Provision for Impairment	(1,186.86)	(1,105.06)
<b>Sub Total</b>	<b>1,369.80</b>	<b>1,549.04</b>
<b>Total</b>	<b>31,460.51</b>	<b>28,774.50</b>

### Note No. 13

#### Cash and Cash equivalents

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Cash in hand	2.33	0.79
Balances with Banks - Current Account	4,765.54	3,557.05
<b>Total</b>	<b>4,767.87</b>	<b>3,557.84</b>

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

### Note No. 14

#### Other Bank Balances

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Unclaimed Dividend Accounts	533.61	505.37
Bank Term Deposits	36,224.68	49,077.77
Margin Money deposit with Banks	100.59	94.02
<b>Total</b>	<b>36,858.88</b>	<b>49,677.16</b>

### Note No. 15

#### Financial Assets - Loans (Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Loans Receivables Considered good- Secured Loans (to employees)	84.71	76.65
Loans Receivables Considered Good- Unsecured Other Advances (to employees)	28.12	32.69
Other Loans and advances	753.80	839.44
<b>Total</b>	<b>866.63</b>	<b>948.78</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 16

Other Financial Assets (Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Unsecured		
Accrued Income	2,674.08	1,898.14
Security Deposits	873.78	666.96
Other Receivables - Considered Good	17,363.97	9,756.58
Other Receivables - Considered Doubtful	1,265.65	1,684.42
Less: Provision for doubtful Other Receivables	(1,265.65)	(1,684.42)
<b>Total</b>	<b>20,911.83</b>	<b>12,321.68</b>

Note No. 17

Non Financial Assets (Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Balance with Government Authorities	2,713.24	3,585.43
Prepaid Expenses	1,154.13	695.68
Advance to Contractors & Suppliers-Considered Good	1,275.69	1,295.98
Advance to Contractors & Suppliers - Considered Doubtful	806.14	802.23
Less: Provision for Doubtful Advances to Contractors & Suppliers	(806.14)	(802.23)
Others	1,426.61	1,303.25
<b>Total</b>	<b>6,569.67</b>	<b>6,880.34</b>

Note No. 18

Equity Share Capital

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Authorised Capital</b>	30,000.00	30,000.00
300,000,000 (Previous period 300,000,000) equity shares of ₹ 10 each	<b>30,000.00</b>	30,000.00
<b>Issued and Subscribed Capital</b>	17,100.38	17,100.38
171,003,846 (Previous period 171,003,846) equity shares of ₹ 10 each	<b>17,100.38</b>	17,100.38
<b>Paid-up Capital</b>	17,100.38	17,100.38
171,003,846 (Previous period 171,003,846) equity shares of ₹ 10 each	<b>17,100.38</b>	17,100.38

a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

	As at 31 March 2022		As at 31 March 2021	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	17,10,03,846	17,100.38	17,10,03,846	17,100.38
<b>Equity shares at the end of the year</b>	<b>17,10,03,846</b>	<b>17,100.38</b>	17,10,03,846	17,100.38

b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	No of shares	% holding	No of shares	% holding
Balmer Lawrie Investments Ltd.	10,56,79,350	61.80%	10,56,79,350	61.80%

i) There are no other shareholders holding 5% or more in the issued share capital of the Company.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note No. 19

#### Other Equity

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Securities Premium	3,626.77	3,626.77
General Reserve	29,903.69	29,903.69
Retained Earnings	1,10,082.43	1,04,876.03
Foreign Currency Translation Reserve	81.49	(34.71)
Other Comprehensive Income Reserve (OCI)	(2,031.23)	(1,270.41)
Minority Interest	(1,817.79)	(1,489.43)
<b>Total (Other Equity)</b>	<b>1,39,845.36</b>	<b>1,35,611.94</b>

	As at 31 March 2022	As at 31 March 2021
<b>Securities Premium</b>		
Opening balance	3,626.77	3,626.77
<b>Sub Total (A)</b>	<b>3,626.77</b>	<b>3,626.77</b>
<b>General Reserve</b>		
Opening balance	29,903.69	29,903.69
<b>Sub Total (B)</b>	<b>29,903.69</b>	<b>29,903.69</b>
<b>Retained Earnings</b>		
Opening balance	1,04,876.03	1,05,832.39
Add : Net Profit for the period	13,475.46	11,529.48
Less : Appropriations		
Dividend Paid	(10,260.23)	(12,825.29)
Re-measurement Gain/(Loss)	1,991.17	339.45
<b>Net surplus in Retained Earnings (C)</b>	<b>1,10,082.43</b>	<b>1,04,876.03</b>
<b>Foreign Currency Translation Reserve</b>		
Opening balance	(34.71)	135.96
Movement	116.20	(170.67)
<b>Sub Total (D)</b>	<b>81.49</b>	<b>(34.71)</b>
<b>Other Comprehensive Income Reserve (OCI)</b>		
Opening balance	(1,270.41)	(1,215.94)
Movement	(760.82)	(54.47)
<b>Sub Total (E)</b>	<b>(2,031.23)</b>	<b>(1,270.41)</b>
<b>Minority Interest</b>		
Opening balance	(1,489.43)	(985.93)
Movement	(328.36)	(503.50)
<b>Sub Total (F)</b>	<b>(1,817.79)</b>	<b>(1,489.43)</b>
<b>Total Other Equity (A+B+C+D+E+F)</b>	<b>1,39,845.36</b>	<b>1,35,611.94</b>

### Note No. 20

#### Financial Liabilities (Non - Current)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Borrowings (Term Loan from Bank)*- Secured	8,830.46	9,330.43
Deposits- Unsecured	13.60	19.44
<b>Total</b>	<b>8,844.06</b>	<b>9,349.87</b>

\*Borrowings include:-

- (i) The Company had availed Term Loan of ₹15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of Food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

Temperature Controlled Warehouses at Rai and Patalganga respectively. The loan was repayable in 12 half yearly equal instalments starting from 18 months from the date of 1st withdrawl ie 31.08.2017. However, the said loan was fully repaid by the Company during the current year.

- (ii) VPLPL a subsidiary of the company has availed ₹ 90.62 crores as loan out of sanctioned loan of ₹ 125 crores at a rate of 8.75% on term Loan and 9.75% on Funded Interest Term Loan (FITL). This loan is secured by first charge on the entire fixed assets (present and future) of VPLPL and equitable mortgage on the leasehold right of project land. The bankers of VPLPL had restructured the existing loan outstanding under Reserve Bank of India Resolution Framework for Covid 19 related stress with moratorium of 24 months and repayment commencement from September 2022.
- (iii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account.

**Note No. 21**
**Provisions (Non - Current)**

	As at 31 March 2022	As at 31 March 2021
Actuarial Provision for employee benefits	3,487.95	2,998.46
Other Long Term Provisions	3,504.13	2,284.05
<b>Total</b>	<b>6,992.08</b>	<b>5,282.51</b>

(₹ in Lakhs)

**Note No. 22**
**Non Financial Liabilities- Others (Non - Current)**

	As at 31 March 2022	As at 31 March 2021
Advance from Customers	1.00	4.55
Deferred Gain/Income	491.24	379.74
Others	456.60	422.35
<b>Total</b>	<b>948.84</b>	<b>806.64</b>

(₹ in Lakhs)

**Note No. 23**
**Financial Liabilities (Current)**

	As at 31 March 2022	As at 31 March 2021
<b>Borrowings- Secured</b>		
Current Maturities of Long Term Borrowings	646.29	203.65
<b>Trade Payables</b>		
Payable to micro and small enterprises	789.53	818.15
Other Trade Payables	26,506.63	26,327.70
<b>Total</b>	<b>27,296.16</b>	<b>27,145.85</b>
<b>Total</b>	<b>27,942.45</b>	<b>27,349.50</b>

(₹ in Lakhs)

**Note No. 24**
**Other Financial Liabilities (Current)**

	As at 31 March 2022	As at 31 March 2021
Unclaimed Dividend*	533.61	505.37
Security Deposits	2,659.68	3,205.82
Other Liabilities	9,873.00	9,426.41
<b>Total</b>	<b>13,066.29</b>	<b>13,137.60</b>

(₹ in Lakhs)

\* There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

**Note No. 25**
**Non Financial Liabilities -Others (Current)**

	As at 31 March 2022	As at 31 March 2021
Advance from Customers	1,040.37	771.94
Statutory Dues	1,730.12	2,210.92
Deferred Gain/Income	45.03	1.64
Other Liabilities	3,606.40	4,878.88
<b>Total</b>	<b>6,421.92</b>	<b>7,863.38</b>

(₹ in Lakhs)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note No. 26

#### Current Provisions

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Actuarial Provisions for employee benefits	731.46	545.01
Other Short term Provisions	1,221.45	136.38
<b>Total</b>	<b>1,952.91</b>	<b>681.39</b>

### Note No. 27

#### Current Tax Liabilities

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Provision for Tax (Net of advance)	2,513.95	2,508.18
<b>Total</b>	<b>2,513.95</b>	<b>2,508.18</b>

### Note No. 28

#### Revenue from Operations

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of Products	1,27,727.53	86,331.32
Sale of Services	70,790.91	61,159.60
Sale of Trading Goods	633.72	364.43
Other Operating Income	6,382.36	5,043.10
<b>Total</b>	<b>2,05,534.52</b>	<b>1,52,898.45</b>

### Note No. 29

#### Other Income

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest Income		
Bank Deposits	1,692.62	2,560.36
Interest on Income Tax refund	-	281.83
Others	80.65	79.34
<b>Sub Total</b>	<b>1,773.27</b>	<b>2,921.53</b>
Dividend Income	1.50	6.15
Other Non-operating Income		
Profit on Disposal of Fixed assets	358.17	15.77
Profit on Disposal of Investments	-	49.20
Unclaimed balances and excess provision written back	866.11	1,526.17
Gain on Foreign Currency Transactions (net)	102.01	-
Miscellaneous Income	610.48	406.91
<b>Sub Total</b>	<b>1,936.77</b>	<b>1,998.05</b>
<b>Total</b>	<b>3,711.54</b>	<b>4,925.73</b>

### Note No. 30

#### Cost of Materials Consumed & Services Rendered

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of Materials Consumed	96,445.84	59,587.02
Cost of Services Rendered	46,235.61	38,693.89
<b>Total</b>	<b>1,42,681.45</b>	<b>98,280.91</b>

### Note No. 31

#### Purchase of Trading Goods

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Trading Goods	1,276.51	359.93
<b>Total</b>	<b>1,276.51</b>	<b>359.93</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**
**Note No. 32**
**Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress**

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Change in Finished Goods</b>		
Opening	3,548.47	3,379.72
Closing	3,800.62	3,548.47
Change	<b>(252.15)</b>	(168.75)
<b>Change in Work In Progress</b>		
Opening	974.78	1,177.56
Closing	1,191.37	974.78
Change	(216.59)	202.78
<b>Total</b>	<b>(468.74)</b>	34.03

**Note No. 33**
**Employee Benefits Expenses**

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and Incentives	18,503.96	17,893.81
Contribution to Provident & Other Funds	2,118.02	2,214.38
Staff Welfare Expenses	2,136.60	1,729.64
<b>Total</b>	<b>22,758.58</b>	21,837.83

**Note No. 34**
**Finance Costs**

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest	931.39	863.34
Bank Charges*	138.37	89.47
Interest Cost - Lease Liabilities	289.17	238.76
<b>Total</b>	<b>1,358.93</b>	1,191.57

\* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

**Note No. 35**
**Depreciation & Amortisation Expenses**

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Depreciation on:</b>		
Property, Plant & Equipment	3,891.70	3,762.98
Right of Use Assets	1,572.43	1,602.21
Investment Properties	2.36	2.20
Amortisation of Intangible Assets	112.74	134.89
<b>Total</b>	<b>5,579.23</b>	5,502.28

**Note No. 36**
**Other Expenses**

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Manufacturing Expenses	1,791.36	1,606.79
Consumption of Stores and Spares	888.36	750.15
Repairs & Maintenance - Buildings	983.32	380.23
Repairs & Maintenance - Plant & Machinery	592.25	557.39
Repairs & Maintenance - Others	971.40	704.06
Power & Fuel	3,127.08	2,470.51
Electricity & Gas	367.99	370.56
Rent	774.08	715.06
Insurance	381.57	356.42
Packing, Despatching, Freight and Shipping Charges	5,117.53	4,373.32

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rates & Taxes	147.64	168.31
Auditors Remuneration and Expenses	28.81	31.17
Write off of Debts, Deposits, Loan & Advances	794.61	2,106.50
Provision for Doubtful Debts & Advances	853.11	956.08
Fixed Assets Written Off	14.63	1.37
Loss on Disposal of Fixed Assets	14.41	4.16
Selling Commission	350.84	352.52
Cash Discount	448.33	335.97
Travelling Expenses	488.74	324.53
Printing and Stationary	151.59	130.94
Motor Car Expenses	146.69	149.46
Communication Charges	290.43	426.33
Corporate Social Responsibility Expenses	1048.16	514.15
Loss on Foreign Currency Transactions (Net)	-	61.12
Miscellaneous Expenses	3,359.56	3,201.97
	<b>23,132.49</b>	<b>21,049.07</b>
Less: Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful earlier, now written back	(751.56)	(2,709.85)
<b>Total</b>	<b>22,380.93</b>	<b>18,339.22</b>
<b>Payment to Auditors as:</b>		
Statutory/ Branch Auditors	22.40	25.33
Tax Audit	1.15	1.00
Other Certification	3.87	3.30
Reimbursement of Expenses	1.39	1.54
<b>Total Payment to Auditors</b>	<b>28.81</b>	<b>31.17</b>

### Note No. 37

#### Tax Expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	4,568.80	3,879.26
Deferred tax	165.00	667.22
Previous years	-	(527.35)
<b>Total</b>	<b>4,733.80</b>	<b>4,019.13</b>

(₹ in Lakhs)

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.168% (31 March 2021: 25.168%) and the reported tax expense in profit or loss are as follows:

<b>Accounting profit before income tax</b>	13679.17	12278.41
At country's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	25.168%	25.168%
Tax Expense	3,442.77	3,090.23
Adjustments in respect of current income tax		
Current Income Tax of Foreign Subsidiary	-	(0.73)
Non-deductible expenses for tax purposes		
Provisions (net)	236.15	(240.94)
CSR Expenses	263.80	129.40
VRS Expenses	(29.06)	116.22
Depreciation Difference including for ROU assets	535.41	446.99
Fixed assets written off and loss on disposal	(86.52)	(2.92)
Loss of Subsidiaries	206.25	341.01
Adjustments in respect of Previous years income tax	-	(527.35)
<b>Total</b>	<b>4,568.80</b>	<b>3,351.91</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 38

Other Comprehensive Income

(₹ in Lakhs)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>(A) Items that will not be reclassified to profit or loss</b>		
(i) Remeasurement gains/ (losses) on defined benefit plans	(1,078.82)	(18.40)
(ii) Income tax relating to items that will not be reclassified to profit or loss	271.52	4.63
<b>(B) Items that will be reclassified to profit or loss</b>		
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
<b>(C) Other Comprehensive Income of Joint Ventures and Associates (Net)</b>	46.48	(40.70)
<b>Total</b>	<b>(760.82)</b>	<b>(54.47)</b>

Note No. 39

Earnings per Equity Share

(₹ in Lakhs except share data)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Net profit attributable to equity shareholders</b>		
Profit after tax	13,803.82	12,032.98
<b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b>	13,803.82	12,032.98
Nominal value per Equity Share (₹)	10	10
Weighted-average number of Equity Shares for EPS	17,10,03,846	17,10,03,846
<b>Basic/Diluted Earnings per Equity Share (₹)</b>	<b>8.07</b>	<b>7.04</b>

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The face value of the shares is ₹ 10.

Note No. 40

Accounting for Employee Benefits

**Defined Contribution Plans**

The disclosures are made consequent to adoption of IND AS 19 on Employee Benefits, notified by the Ministry of Corporate Affairs, by the Holding Company. Defined Benefit(s) Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain/loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The Holding Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Holding Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1151.50 Lakhs (₹ 1169.18 Lakhs); Superannuation fund ₹ 698.61 Lakhs (₹ 691.82 Lakhs ) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 2.96 Lakhs (₹ 3.83 Lakhs).

**Defined Benefit Plans**

**Post Employment Benefit Plans**

**A. Gratuity**

The gratuity plan entitles an employee, who has rendered atleast five year of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the Holding Company by way of transfer of requisite amount to the fund named "Balmer Lawrie & Co. Ltd. Gratuity Fund".

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The reconciliation of the Holding Company's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	5,559.44	5,635.99
Fair value of plan assets	6,162.94	7,244.85
<b>Net Defined Benefit Obligation</b>	<b>(603.50)</b>	<b>(1,608.86)</b>

(i) The movement of the Holding Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening value of defined benefit obligation</b>	<b>5,635.99</b>	<b>6,378.65</b>
Add: Current service cost	390.47	366.17
Add: Current interest cost	345.55	388.47
Plan amendment : Vested portion at end of period (past service)	-	-
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	800.64	180.14
- changes in financial assumptions	86.74	(279.07)
Add: Acquisition Adjustment	-	-
Less: Benefits paid	(1,699.96)	(1,398.37)
<b>Closing value of defined benefit obligation thereof-</b>	<b>5,559.44</b>	<b>5,635.99</b>
<b>Unfunded</b>	<b>(603.50)</b>	<b>(1,608.86)</b>
<b>Funded</b>	<b>6,162.94</b>	<b>7,244.85</b>

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions:

(₹ in Lakhs)

Assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.22%	6.84%
Rate of increase in compensation levels/Salary growth rate	6.00%	5.00%
Expected average remaining working lives of employees (years)	12	12

(iii) The reconciliation of the plan assets held for the Holding Company's defined benefit plan from beginning to end of reporting period is presented below:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening balance of fair value of plan assets</b>	<b>7,244.85</b>	<b>5,748.26</b>
Add: Contribution by employer	150.00	2,397.18
Return on Plan Assets excluding Interest Income	(55.03)	104.60
Add: Interest income	523.08	393.18
Add: Acquisition Adjustment	-	-
Less: Benefits paid	(1,699.96)	(1,398.37)
<b>Closing balance of fair value of plan assets</b>	<b>6,162.94</b>	<b>7,244.85</b>

(iv) Expense related to the Holding Company's defined benefit plans in respect of gratuity plan is as follows:

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial (gain)/loss on obligations-changes in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-changes in financial assumptions	86.74	(279.07)
Actuarial (gain)/loss on obligations-Experience Adjustment	800.64	180.14
Return on Plan Assets excluding Interest Income	(55.03)	104.60
<b>Total expense/ (income) recognized in the statement of Other Comprehensive Income</b>	<b>942.41</b>	<b>(203.53)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	390.47	366.17
Past service cost (vested)	-	-
Net Interest cost (Interest Cost-Expected return)	(177.53)	(4.70)
<b>Total expense recognised in the Statement of Profit &amp; Loss</b>	<b>212.94</b>	<b>361.47</b>

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	5,559.44	5,635.99
<b>Classified as:</b>		
<b>Non-Current</b>	<b>4,356.26</b>	<b>4,615.27</b>
<b>Current</b>	<b>1,203.18</b>	<b>1,020.72</b>

	As at 31 March 2022	As at 31 March 2021
Expected returns on plan assets are based on a weighted average of expected returns of the various assets in the plan, and include an analysis of historical returns and predictions about future returns. The return on plan assets was	468.05	497.78

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group Companies. Plan assets can be broken down into the following major categories of investments:

Particulars	As at 31 March 2022	As at 31 March 2021
Government of India securities/ State Government securities	56.82%	52.26%
Corporate Bonds	35.23%	40.43%
Others	7.95%	7.31%
<b>Total plan assets</b>	<b>100.00%</b>	<b>100.00%</b>

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in statement of comprehensive income.

(vi) Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of gratuity plans is the discount rate. The calculation of the net defined benefit obligation is sensitive to this assumption. The following table summarises the effects of changes in this actuarial assumption on the defined benefit obligation:

(₹ in Lakhs)

Particulars	31 March 2022	
	Increase	Decrease
<b>Changes in discount rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,398.27	5,731.67
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(161.17)</b>	<b>172.23</b>
<b>Changes in salary growth rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,669.68	5,450.09
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>110.24</b>	<b>(109.35)</b>
<b>Changes in Attrition rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,559.88	5,558.99
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>0.44</b>	<b>(0.45)</b>
<b>Changes in Mortality rate in %</b>	10.00	10.00
Defined benefit obligation after change	5,562.16	5,556.66
Original defined benefit obligation	5,559.44	5,559.44
<b>Increase/(decrease) in defined benefit obligation</b>	<b>2.72</b>	<b>(2.78)</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

(₹ in Lakhs)

Particulars	31 March 2021	
	Increase	Decrease
<b>Changes in discount rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,478.13	5,804.06
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(157.86)</b>	168.07
<b>Changes in salary growth rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,751.08	5,524.80
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>115.09</b>	(111.19)
<b>Changes in Attrition rate in %</b>	0.50	0.50
Defined benefit obligation after change	5,636.56	5,635.43
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>0.57</b>	(0.56)
<b>Changes in Mortality rate in %</b>	10.00	10.00
Defined benefit obligation after change	5,639.04	5,632.95
Original defined benefit obligation	5,635.99	5,635.99
<b>Increase/(decrease) in defined benefit obligation</b>	<b>3.05</b>	(3.04)

**B. Post Retirement Medical Benefits Scheme (Non-funded)**

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for eligible employees who superannuate after satisfactory long service and includes dependent spouse as per applicable rules.

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Opening value of defined benefit obligation</b>	<b>446.39</b>	422.92
Add: Current service cost	-	-
Add: Current interest cost	27.13	21.41
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	154.08	277.17
- changes in financial assumptions	(17.68)	(55.24)
Less: Benefits paid	(141.28)	(219.87)
<b>Closing value of defined benefit obligation thereof-</b>	<b>468.64</b>	446.39
<b>Unfunded</b>	468.64	446.39
<b>Funded</b>	-	-

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial (gain)/loss on obligations-change in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-change in financial assumptions	(17.68)	(55.24)
Actuarial (gain)/loss on obligations-Experience Adjustment	154.09	277.17
<b>Total expense/ (income) recognized in the statement of Other Comprehensive Income</b>	<b>136.41</b>	221.93

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	-	-
Net Interest cost (Interest Cost-Expected return)	27.13	21.41
<b>Total expense recognized in the statement of Profit &amp; Loss</b>	<b>27.13</b>	21.41

Assumptions	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.22%	6.84%
Superannuation age	60	60
Early retirement & disablement	0.10%	0.10%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	468.64	446.39
<b>Classified as:</b>		
<b>Non-Current</b>	384.47	382.17
<b>Current</b>	84.17	64.22

Sensitivity Analysis

(₹ in Lakhs)

Particulars	31 March 2022	
	Increase	Decrease
<b>Changes in Discount rate in %</b>	0.50	0.50
Defined benefit obligation after change	446.50	492.07
Original defined benefit obligation	468.64	468.64
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(22.14)</b>	23.44
<b>Changes in Mortality rate in %</b>	10.00	10.00
Defined benefit obligation after change	456.93	480.36
Original defined benefit obligation	468.64	468.64
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(11.71)</b>	11.72

(₹ in Lakhs)

Particulars	31 March 2021	
	Increase	Decrease
<b>Changes in Discount rate in %</b>	0.50	0.50
Defined benefit obligation after change	431.66	459.56
Original defined benefit obligation	446.39	446.39
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(14.73)</b>	13.17
<b>Changes in Mortality rate in %</b>	10.00	10.00
Defined benefit obligation after change	436.79	453.62
Original defined benefit obligation	446.39	446.39
<b>Increase/(decrease) in defined benefit obligation</b>	<b>(9.60)</b>	7.23

C. Other Long Term Benefit Plans

Leave Encashment (Non-funded), Long Service Award (Non-funded) and Half Pay Leave (Non-funded)

The Holding Company provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. An amount of ₹ 511.07 Lakhs (₹818.62 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Leave Encashment (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	431.99	292.49
Non Current	1,942.02	1,570.45

Long Service Award is given to the employees to recognise long and meritorious service rendered to the Holding Company. The minimum eligibility for the same starts on completion of 10 year of service and thereafter every 5 year of completed service. An amount of ₹ 18.51 Lakhs [₹- 62.12 Lakhs] has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Long Service Award (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	61.61	69.23
Non Current	382.01	355.88

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of ₹ 117.89 Lakhs (₹- 260.40 Lakhs) has been recognised in the Statement of Profit and Loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Half Pay Leave (Non-funded)	As at 31 March 2022	As at 31 March 2021
Amount recognized in Balance Sheet:		
Current	153.69	119.07
Non Current	762.49	679.22

### Note No. 41

#### Leases

##### (i) Amounts recognised in Balance Sheet

(₹ in Lakhs)

Right of Use Liability Particulars	As at 31 March 2022					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Current	38.20	482.70	207.58	15.46	-	743.94
Non Current	427.48	1,048.00	494.65	6.72	-	1,976.85
<b>Total</b>	<b>465.68</b>	<b>1,530.70</b>	<b>702.23</b>	<b>22.18</b>	<b>-</b>	<b>2,720.79</b>

(₹ in Lakhs)

Right of Use Liability Particulars	As at 31 March 2021					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Current	35.51	528.06	297.24	8.99	-	869.80
Non Current	422.46	1,417.20	260.11	13.76	-	2,113.53
<b>Total</b>	<b>457.97</b>	<b>1,945.26</b>	<b>557.35</b>	<b>22.75</b>	<b>-</b>	<b>2,983.33</b>

##### (ii) Reconciliation of Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Opening Balance of Right of Use Lease Liabilities	457.97	1,945.26	557.35	22.75	-	2,983.33
Add: Additions during the year	-	35.53	767.14	23.35	-	826.02
Add: Interest Expenses on lease liabilities	46.00	170.99	69.90	2.28	-	289.17
Less: Rental Expenses paid during the year	38.29	600.14	692.16	26.20	-	1,356.79
Less : Deletion for the period	-	20.94	-	-	-	20.94
<b>Total</b>	<b>465.68</b>	<b>1,530.70</b>	<b>702.23</b>	<b>22.18</b>	<b>-</b>	<b>2,720.79</b>

(₹ in Lakhs)

Particulars	As at 31 March 2021					Total
	Right of Use- Land Leasehold	Right of Use - Others				
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Opening Balance of Right of Use Lease Liabilities	-	1,848.73	500.47	8.34	-	2,357.54
Add: Additions during the year	454.16	575.29	528.19	28.54	-	1,586.18
Add: Interest Expenses on lease liabilities	28.68	177.86	28.96	3.26	-	238.76
Less: Rental Expenses paid during the year	24.87	569.75	377.94	17.39	-	989.95
Less : Deletion for the period	-	86.87	122.33	-	-	209.20
<b>Total</b>	<b>457.97</b>	<b>1,945.26</b>	<b>557.35</b>	<b>22.75</b>	<b>-</b>	<b>2,983.33</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

**(iii) Maturity profile of the lease liabilities :**

(₹ in Lakhs)

Year ended March 31, 2022	Within 1 year	1-3 years	More than 3 years	Total
Lease liability	743.94	1,069.63	907.22	<b>2,720.79</b>

(₹ in Lakhs)

Year ended March 31, 2021	Within 1 year	1-3 years	More than 3 years	Total
Lease liability	869.80	1,172.71	940.82	<b>2,983.33</b>

**(iv) The following are the amounts recognised in the statement of profit and loss:**

(₹ in Lakhs)

**Particulars**

Particulars	As at 31 March 2022					
	Right of Use- Land Leasehold	Right of Use - Others				Total
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Depreciation expense of Right of Use assets	82.92	831.55	633.30	24.66	-	<b>1,572.43</b>
Interest expense on Lease Liabilities	46.00	170.99	69.90	2.28	-	<b>289.17</b>
Rent expense in term of short term leases/ low value leases	-	197.93	94.77	-	-	<b>292.70</b>
<b>Total</b>	<b>128.92</b>	<b>1,200.47</b>	<b>797.97</b>	<b>26.94</b>	<b>-</b>	<b>2,154.30</b>

(₹ in Lakhs)

**Particulars**

Particulars	As at 31 March 2021					
	Right of Use- Land Leasehold	Right of Use - Others				Total
		Buildings	Plant & Machinery	Electrical Equipments	Others	
Depreciation expense of Right of Use assets	73.95	874.90	638.40	14.96	-	<b>1,602.21</b>
Interest expense on Lease Liabilities	28.68	177.86	28.96	3.26	-	<b>238.76</b>
Rent expense in term of short term leases/ low value leases	-	95.46	116.70	34.58	3.70	<b>252.63</b>
<b>Total</b>	<b>102.63</b>	<b>1,150.41</b>	<b>784.06</b>	<b>52.80</b>	<b>3.70</b>	<b>2,093.60</b>

**(v) Total cash outflow due to leases**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Lease Rentals paid during the year	1,649.49	1,242.58

**(vi) Extension and termination options**

The Group has several lease contracts that include extension and termination options which are used for regular operations of its business. These options are negotiated by management to provide flexibility in managing the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note-42 Additional Disclosures

#### 42.1 Disclosure of Interests in Subsidiaries, Joint Venture Companies and Associates

Name of Subsidiary/ Joint Venture Company/ Associate	Nature of Relationship	Proportion of Shareholding	Country of Incorporation
Balmer Lawrie (UK) Ltd. (Refer Note c below)	Subsidiary	100%	United Kingdom
Visakhapatnam Port Logistics Park Ltd.	Subsidiary	60%	India
Balmer Lawrie (UAE) LLC (Refer Note a below)	Joint Venture	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd.	Joint Venture	47.91%	India
Transafe Services Ltd. (Refer Note b below)	Joint Venture	50%	India
Avi Oil India (P) Ltd.	Associate	25%	India
PT. Balmer Lawrie Indonesia	Joint Venture	50%	Indonesia

Note :

- a. The accounting year of all the aforesaid companies is the financial year ending March 31, 2022 except for Balmer Lawrie (UAE) LLC which follows accounting year as the calendar year ending December 31, 2021.
- b. Hon'ble National Company Law Tribunal (NCLT) vide its order dated April 09, 2021 have approved the Resolution Plan of M/s Om Logistics Limited (Resolution Applicant in the said matter of Corporate Insolvency Resolution Process (CIRP) initiated upon M/s Transafe Services Ltd. (TSL)), wherein, the following had been approved upon implementation of the Resolution Plan:
  - i. The entire existing Equity Share Capital of TSL shall stand cancelled, extinguished and annulled & be regarded as reduction of Share Capital to the extent of 99.99997% and the remaining 0.00003% shall be required to be transferred to the Resolution Applicant.
  - ii. The entire existing Preference Share Capital of TSL shall stand cancelled, extinguished and annulled to the extent of 100% & be regarded as reduction of Capital.

Consequent to the above, the group ceased to have joint control or have any significant influence over TSL and TSL ceased to be a Related Party under the extant provisions of Section 2(76) the Companies Act, 2013 or under IND AS-110 or clause 2(1) (zb) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. However, an appeal has been filed to Hon'ble National Company Law Appellate Tribunal (NCLAT) against the orders of Hon'ble NCLT and the matter is pending for adjudication before Hon'ble NCLAT. The investments of the company (in both equity and preference shares in the said joint venture), have been unilaterally reduced by way of capital reduction, by the demat account service provider. The company has been following up with the demat account service provider for re-instatement of the same considering that the matter is sub-judice (supra).

- c. During the financial year 2018-19, the group started the process of closing down/winding up of its wholly owned subsidiary, M/s Balmer Lawrie (UK) Limited (BLUK). This process of winding up has been completed in the current financial year and the company had been struck off by the Registrar of Companies at UK on 21.09.2021 and finally dissolved on 28.09.2021.
- d. In one of the joint venture company, M/s Balmer Lawrie Van Leer Ltd. (BLVL), their Statutory Auditors have expressed qualified opinion for "non-accrual of interest on a loan from Balmer Lawrie & Company Limited (BL), together with the non-impairment of its investment in one of the joint venture company M/s Transafe Services Limited (TSL) consequent to the orders of Hon'ble NCLAT (Refer b above) in the previous financial year 2020-21". However, since the investments have been impaired and loan balance written back by BLVL in its books during the current financial year, the impact is Nil for the group and no further actions are required by the group.

**42.2** 10,56,79,350 (10,56,79,350) number of Equity Shares are held by Balmer Lawrie Investments Ltd. (The Holding Company).

- 42.3** (a) Conveyance deeds of certain leasehold land with written down value of ₹2,313.44 Lakhs (₹2,370.42 Lakhs) are pending registration/ mutation.
- (b) Conveyance deeds of certain buildings with written down value of ₹3,596.94 Lakhs (₹3,326.27 Lakhs) are pending registration/ mutation.
- (c) Certain buildings & sidings with written down value of ₹8,278.03 Lakhs (₹8,477.04 Lakhs) are situated on leasehold/ rented land. Some of the leases with Kolkata Port trust have expired and are under renewal.
- (d) The details of capital expenditure of the Indian JV & Associate of the Group is as under:

Sl. No.	Particulars	Financial Year 2021-22			Financial Year 2020-21		
		Amount (Rs. in Lakhs)	% of Share of BL	Amount of Share of BL (Rs. in Lakhs)	Amount (Rs. in Lakhs)	% of Share of BL	Amount of Share of BL (Rs. in Lakhs)
01	Balmer Lawrie & Co. Ltd. (Standalone-BL)	2,248.63	100.00	2,248.63	4,392.17	100.00	4,392.17
02	Balmer Lawrie Van Leer Ltd. (Joint Venture Company)	1,708.00	47.91	818.30	4,263.00	47.91	2,042.40
03	Avi Oil India (P) Ltd. (Associate Company)	49.58	25.00	12.39	139.51	25.00	34.88
			<b>Grand Total</b>	<b>3,079.32</b>		<b>Grand Total</b>	<b>6,469.45</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

**42.4 Contingent Liabilities as at 31<sup>st</sup> March, 2022 not provided for in the accounts are:**

- (a) Disputed demand for Excise Duty, Sales Tax, Service Tax, Cess and Income Tax, as applicable amounting to ₹9,595.28 Lakhs (₹8,020.52 Lakhs) against which the group has lodged appeal/petition before appropriate authorities.
- (b) Claims against the group not acknowledged as debts amount to ₹952.88 Lakhs (₹961.86 Lakhs) in respect of which the group has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes financial effect is ascertainable on settlement.

**42.5** (a) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to ₹10,403.36 Lakhs (₹9,795.79 Lakhs).

- (b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹1,001.07 Lakhs (₹1,629.45 Lakhs).

**42.6** Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination/ receipt of such confirmation.

**42.7 Segment Reporting**

Information about business segment for the year ended 31st March, 2022 in respect of reportable segments as notified by the Ministry of Corporate Affairs in the IND AS– 108 in respect of “Operating Segments” is attached in Note No: 43.

**42.8 Impact of COVID-19 pandemic**

The spread of global health pandemic Covid-19 has severely affected the businesses around the globe. In many countries including India, there had been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures.

The group has made detailed assessment and has concluded that no material adjustments are required to be made in the financial results due to Covid-19. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.

**42.9 Impact of New Labour Codes**

The Indian Parliament has approved 4 Labour Codes viz : The Code on Wages, 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and The Occupational Safety Health and Working Conditions, 2020 subsuming many existing labour legislations. These would impact the contributions by the group towards Provident Fund, Bonus and Gratuity. The effective date from which the codes and rules will be applicable is yet to be notified. The group will assess the impact and its valuation and will give appropriate impact in its financial statements in the period(s) in which, the Codes become effective and the related rules to determine the financial impact are notified.

**42.10** Since the net worth of PT. Balmer Lawrie Indonesia (PTBLI) continues to be negative, consolidation of its figures is not required as per IND-AS and consequently has not been done.

The figures of PTBLI for the year ended March 31, 2022 as is disclosed elsewhere in the Consolidated Financial Statements of the group, are as prepared by the management of PTBLI.

**42.11** (a) The financial statements have been prepared as per the requirement of Division II to the Schedule III to the Companies Act, 2013.

- (b) Previous year's figures have been re-grouped or re-arranged or re-classified wherever so required to make them comparable with current year figures.

(c) Figures in brackets relate to previous year.

- (d) All amounts in ₹ Lakhs unless otherwise stated. The words Lakhs and Lacs are used interchangeably in these financial statements and have the same connotation.

As per our report attached

For **B.K. Shroff & Co**  
Chartered Accountants  
Firm Registration No. 302166E

**CA. L. K. Shroff**  
Partner  
Membership No. 060742  
Kolkata, 27th May, 2022

**Adika Ratna Sekhar**  
Chairman and Managing Director  
DIN 08053637

**Sandip Das**  
Director (Finance) &  
Chief Financial Officer  
DIN 08217697

**Vandana Minda Heda**  
Independent Director  
DIN 09402294

**Adhip Nath Palchaudhuri**  
Director  
(Service Businesses)  
DIN 08695322

**Kavita Bhavsar**  
Company Secretary

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note No. 43

#### Segment Revenue

(₹ in Lakhs)

	31 March 2022			31 March 2021		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	84,919	2,780	82,139	55,502	2,179	53,323
Logistics Infrastructure	18,284	344	17,940	20,717	206	20,511
Logistics Services	46,799	1,092	45,707	37,912	1,070	36,842
Travel & Vacations	8,005	1,586	6,419	4,559	1,867	2,692
Greases & Lubricants	51,068	8,114	42,954	36,550	6,011	30,539
Others	11,461	1,085	10,376	10,165	1,174	8,991
<b>Total Segment Revenue</b>	<b>2,20,536</b>	<b>15,001</b>	<b>2,05,535</b>	<b>1,65,405</b>	<b>12,507</b>	<b>1,52,898</b>

#### Segment Profit before Income Tax

(₹ in Lakhs)

	31 March 2022	31 March 2021
Industrial Packaging	7,524	4,630
Logistics Infrastructure	3,100	4,236
Logistics Services	5,864	5,332
Travel & Vacations	(42)	(1,520)
Greases & Lubricants	4,241	3,145
Others	(7,008)	(3,545)
<b>Total Segment Profit</b>	<b>13,679</b>	<b>12,278</b>

#### Segment Assets

(₹ in Lakhs)

	31 March 2022				31 March 2021			
	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets	Segment assets	Investment in associates and joint ventures	Additions to non-current assets	Segment assets
Industrial Packaging	36,948	-	-	36,948	34,363	-	-	34,363
Logistics Infrastructure	46,696	-	-	46,696	48,097	-	-	48,097
Logistics Services	10,025	-	-	10,025	9,771	-	-	9,771
Travel & Vacations	29,269	-	-	29,269	19,732	-	-	19,732
Greases & Lubricants	22,689	-	-	22,689	19,193	-	-	19,193
Others	7,585	-	-	7,585	8,479	-	-	8,479
<b>Total Segment Assets</b>	<b>1,53,212</b>	<b>-</b>	<b>-</b>	<b>1,53,212</b>	<b>1,39,635</b>	<b>-</b>	<b>-</b>	<b>1,39,635</b>
<b>Unallocated</b>								
Deferred tax assets	-	-	-	-	-	-	-	-
Investments	43,638	-	10	43,648	46,693	(8,104)	29	38,618
Derivative financial instruments	-	-	-	-	-	-	-	-
Other Assets	47,764	-	-	47,764	59,666	-	-	59,666
<b>Total Assets as per the Balance Sheet</b>	<b>2,44,614</b>	<b>-</b>	<b>10</b>	<b>2,44,624</b>	<b>2,45,994</b>	<b>(8,104)</b>	<b>29</b>	<b>2,37,919</b>

#### Segment Liabilities

(₹ in Lakhs)

	31 March 2022	31 March 2021
Industrial Packaging	10,096	9,703
Logistics Infrastructure	9,416	11,091
Logistics Services	7,734	7,595
Travel & Vacations	8,194	5,260
Greases & Lubricants	6,049	7,438
Others	2,713	2,662
<b>Total Segment Liabilities</b>	<b>44,202</b>	<b>43,749</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Intersegment eliminations	-	-
<b>Unallocated</b>		
Deferred tax liabilities	10,873	9,842
Current tax liabilities	2,514	2,508
Current borrowings	-	-
Non current borrowings	8,830	9,330
Derivative financial instruments	-	-
Other Liabilities	15,858	14,375
<b>Total Liabilities as per the Balance Sheet</b>	<b>82,277</b>	<b>79,804</b>

Note No. 44

Financial Risk Management

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	Fair value through Profit or Loss	Amortised Cost*	Fair value through Profit or Loss	Amortised Cost*
<b>Financial Assets</b>				
Equity Instruments**	159.45	-	149.46	-
Trade Receivables	-	31,460.51	-	28,774.50
Other Receivables	-	17,372.50	-	9,793.86
Loans	-	1,048.49	-	1,148.10
Accrued income	-	2,674.08	-	1,898.14
Security Deposit	-	873.78	-	666.96
Cash and Cash Equivalents	-	4,767.87	-	3,557.84
Other Bank Balances	-	36,858.88	-	49,677.16
<b>Total- Financial Assets</b>	<b>159.45</b>	<b>95,056.11</b>	<b>149.46</b>	<b>95,516.56</b>
<b>Financial Liabilities</b>				
Borrowings	-	9,476.75	-	9,534.07
Lease Liabilities	-	2,720.79	-	2,983.33
Trade Payables	-	27,296.16	-	27,145.85
Security Deposit	-	2,673.28	-	3,225.26
Other financial liabilities	-	10,406.61	-	9,931.78
<b>Total- Financial Liabilities</b>	<b>-</b>	<b>52,573.59</b>	<b>-</b>	<b>52,820.30</b>

\*All financial Assets/Liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their Fair Values.

\*\*1. Investment in Equity instrument of Subsidiaries, Joint Ventures and Associates have been carried at cost with subsequent increases in value due to consolidation under Ind AS 110 using Equity Method for Joint Ventures and Associates.

\*\*2. This investment includes investment in other unquoted securities and the management estimates that its Fair Value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

ii) Risk Management

The Group's activities expose it to Market Risk, Liquidity Risk and Credit Risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade Receivable, Cash and Cash Equivalents, Derivative Financial Instruments, Financial Assets measured at amortised cost.	Ageing Analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables.
Liquidity Risk	Borrowings and Other Liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Market Risk - Foreign Exchange	Recognised Financial Assets and Liabilities not denominated in Indian Rupee (₹)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts
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The Group's risk management other than in respect of trade receivables is carried out by a corporate department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Group's risk in respect of Trade Receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

### A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. The Holding Company's receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous monitoring of credit worthiness of customers, ability to repay and their past track record.

Similarly all Group companies closely monitor their trade receivables which includes tracking the credit worthiness of the customers, ability to pay, default rates, past history etc. Accordingly expected credit loss has also been computed and accounted for by them.

#### Provisions

##### For Receivables

There are no universal expected loss percentages for the group as a whole. The Holding Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of expected credit losses.

##### For Other Financial Assets

**Loans** - are given to regular employees who are on the payroll of the Holding Company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

**Deposits** - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

**Cash & Cash equivalents** - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings.

**Other Bank Balances** - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been made with various public and private sector banks having the high credit ratings.

### B) Liquidity risk

Liquidity risk arises from borrowings and other liabilities. The company had taken a loan of ₹ 15 Crores from Standard Chartered Bank (in FY 2017-18) to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI). The same was repaid in full in the current financial year.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining short term debt financing plans.

The Group does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they fall due.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

**C) Market Risk**

**Market risk arises due to change in interest rates or foreign exchange rates.**

**1) Interest rate risk**

The group is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The Holding Company has also invested in preference share capital of M/s Transafe Services Limited which has been entirely provided for in the books of the company (Refer Note no. 42.1(b)). The Holding Company has not invested in any other instruments except equity investments. The Group as a whole has a very insignificant borrowing on which interest is payable and it does not foresee any risk in its repayment.

**2) Foreign currency risk.**

The Holding Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Holding Company's functional currency. The Group as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Group does not use forward contracts for speculative purposes.

The Group is also exposed to foreign exchange risk arising from net foreign currency receivables on account of Dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED .

Some Group Companies like Avi-Oil significantly import raw materials and is exposed to foreign exchange risk primarily with USD & Euro which is not hedged. Similarly BLVL has business transactions involving several currencies exposing it to foreign currency risk arising from foreign currency receivables and payables which it manages by entering into forward contracts.

**Note No. 45**

**Capital Management**

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

VPLPL a subsidiary of the company has availed ₹ 90.62 crores as loan out of sanctioned loan of ₹ 125 crores at a rate of 8.75% on term Loan and 9.75% on Funded Interest Term Loan (FITL). This loan is secured by first charge on the entire fixed assets (present and future) of VPLPL and equitable mortgage on the leasehold right of project land. The bankers of VPLPL had restructured the existing loan outstanding under Reserve Bank of India Resolution Framework for Covid 19 related stress with moratorium of 24 months and repayment commencement from September 2022.

(₹ in Lakhs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Total Equity	1,62,348.33	1,58,114.92
Total Assets	2,44,624.86	2,37,919.43
<b>Equity Ratio</b>	<b>66.37%</b>	<b>66.46%</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Dividends

(₹ in Lakhs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>(i) Dividend recognised at the end of the reporting period</b>		
Final dividend for the year ended 31 March 2021 of ₹ 6.00 (31 March 2020 of ₹ 7.50) per fully paid share.	10,260.23	12,825.29
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year-end, the directors have recommended the payment of final dividend of ₹ 6.50 (31 March 2021 ₹ 6.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	11,115.25	10,260.23

### Note No. 46

#### Interest in Other Entities

##### a) Subsidiaries

The group's subsidiaries as at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership held by non-controlling interests	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Balmer Lawrie UK Ltd.*	United Kingdom	NIL	100%	NIL	NIL
Vishakhapatnam Port Logistics Park Ltd.	India	60%	60%	40%	40%

\*Refer Note no. 42.1

##### (b) Interest in associates and joint ventures

Name of entity	Place of business/ country of incorporation	% of Ownership Interest	Relationship	Accounting method
Balmer Lawrie (UAE) LLC	United Arab Emirates	49.00%	Joint Venture	Equity Method
Balmer Lawrie Van Leer Ltd.	India	47.91%	Joint Venture	Equity Method
Transafe Service Ltd.*	India	50.00%	Joint Venture	Refer Note 42.1(b)
Avi Oil India (P) Ltd.	India	25.00%	Associate	Equity Method
PT Balmer Lawrie Indonesia	Indonesia	50.00%	Joint Venture	Equity Method
<b>(Total Equity Accounted Investments )</b>				

Avi Oil India (P) Ltd. is classified as an associate on the basis of the shareholding pattern which leads to significant influence over the Company by the Holding Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd. and PT Balmer Lawrie Indonesia, both the partners have equal nominee representatives in the Board. These entities are classified as joint ventures and the Company recognises its share in net assets through equity method except for PT Balmer Lawrie Indonesia since its Networth is negative.

##### (i) Commitments and contingent liabilities in respect of associates and joint ventures including BL

(₹ in Lakhs)

Summarised Balance Sheet	31 March 2022	31 March 2021
Capital Commitments	1,001.07	1,629.45
<b>Contingent liabilities</b>		
Claims not acknowledged as debts	952.88	961.86
Counter Guarantees	10,403.36	9,795.79
Disputed demands	9,595.28	8,020.52
<b>Total commitments and contingent liabilities</b>	<b>21,952.59</b>	<b>20,407.62</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(c) Summarised financial information for associates and joint ventures

Associate

(₹ in Lakhs)

Summarised Balance Sheet	Avi Oil India Pvt. Ltd.	
	31 March 2022	31 March 2021
Current assets	6,707.95	5,916.07
Current liabilities	786.87	711.88
<b>Net current assets</b>	<b>5,921.08</b>	<b>5,204.19</b>
Non-current assets	2,147.54	2,412.43
Non-current liabilities	512.83	609.00
<b>Net non-current assets</b>	<b>1,634.71</b>	<b>1,803.43</b>
<b>Net assets</b>	<b>7,555.79</b>	<b>7,007.62</b>

Joint Ventures

(₹ in Lakhs)

Summarised Balance Sheet	Balmer Lawrie Van Leer Ltd.	
	31 March 2022	31 March 2021
Cash & Cash Equivalents	450.00	883.00
Current assets excluding Cash & cash equivalents	23,222.00	20,555.00
Current Financial liabilities (excluding Trade payables)	12,436.00	14,921.00
Other Current liabilities	7,318.00	6,780.00
<b>Net current assets</b>	<b>3,918.00</b>	<b>(263.00)</b>
Non-current assets	22,100.00	24,025.00
Non-current Financial liabilities (excluding Trade payables)	6,098.00	6,868.00
Other Non-current liabilities	497.00	407.00
<b>Net non-current assets</b>	<b>15,505.00</b>	<b>16,750.00</b>
<b>Net assets</b>	<b>19,423.00</b>	<b>16,487.00</b>

(₹ in Lakhs)

Summarised Balance Sheet	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2022	31 March 2021	31 Dec 2021	31 Dec 2020
Cash & Cash Equivalents	188.31	84.86	1,445.59	13,783.09
Current assets excluding Cash & cash equivalents	2,946.08	2,108.12	68,110.15	40,383.25
Current Financial liabilities (excluding Trade payables)	3,191.87	2,943.91	5,987.67	522.36
Other Current liabilities	1,128.23	1,094.59	14,589.77	9,559.19
<b>Net current assets</b>	<b>(1,185.71)</b>	<b>(1,845.52)</b>	<b>48,978.30</b>	<b>44,084.79</b>
Non-current assets	1,092.56	1,161.16	25,181.10	21,562.88
Non-current Financial liabilities (excluding Trade payables)	19.39	19.73	8,253.32	6,835.93
Other Non-current liabilities	144.69	147.58	-	-
<b>Net non-current assets</b>	<b>928.48</b>	<b>993.85</b>	<b>16,927.78</b>	<b>14,726.95</b>
<b>Net assets</b>	<b>(257.23)</b>	<b>(851.67)</b>	<b>65,906.08</b>	<b>58,811.74</b>

Associate

(₹ in Lakhs)

Summarised Statement of Profit and Loss	Avi Oil India Pvt. Ltd.	
	31 March 2022	31 March 2021
Revenue	5,371.09	4,079.80
Interest income including other income	124.41	76.20
Cost of Sales	2,383.86	1,694.26
Employee benefits expense	1,075.78	1,018.91
Depreciation and amortisation	308.72	301.05
Interest expense	71.55	62.26
Other expenses	743.09	657.77
Income tax expense	269.82	115.13

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

<b>Profit for the year</b>	<b>642.68</b>	<b>306.62</b>
Other comprehensive income ( net of tax )	(4.51)	31.57
<b>Total comprehensive income</b>	<b>638.17</b>	<b>338.19</b>
Dividend received	22.50	-

### Joint Ventures

(₹in Lakhs)

Summarised Statement of Profit and Loss	Balmer Lawrie Van Leer Ltd.	
	31 March 2022	31 March 2021
Revenue	58,289.00	42,634.00
Other Income	293.00	210.00
Interest income	-	-
Cost of sales	34,484.00	24,162.00
Employee benefit expenses	4,519.00	3,909.00
Depreciation and amortisation	1,651.00	1,402.00
Interest expense	1,241.00	792.00
Other expenses	11,645.00	9,337.00
Income tax expense	1,251.00	613.00
<b>Profit for the year</b>	<b>3,791.00</b>	<b>2,629.00</b>
Other comprehensive income	132.00	(130.00)
<b>Total comprehensive income</b>	<b>3,923.00</b>	<b>2,499.00</b>
Dividend received	473.07	645.10

(₹in Lakhs)

Summarised Statement of Profit and Loss	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2022	31 March 2021	31 Dec 2021	31 Dec 2020
Revenue	5,853.82	4,495.20	94,103.69	70,786.56
Other Income	69.35	87.41	12.81	32.86
Interest income			11.72	43.62
Cost of sales	4,062.14	3,143.74	69,174.12	51,291.79
Employee benefit expenses	431.75	421.14	12,340.35	9,619.00
Depreciation and amortisation	24.65	20.56	1,726.89	2,404.70
Interest expense	294.12	292.96	388.04	273.16
Other Expenses	478.79	486.38	2,178.94	1,082.86
Income Tax Expense	3.83	16.81		-
<b>Profit for the year</b>	<b>627.89</b>	<b>201.02</b>	<b>8,319.88</b>	<b>6,191.54</b>
Other comprehensive income	11.55	(0.30)	-	-
<b>Total comprehensive income</b>	<b>639.44</b>	<b>200.72</b>	<b>8,319.88</b>	<b>6,191.54</b>
Dividend received	-	-	1,977.11	1,477.41

The networth of PT. Balmer Lawrie Indonesia (PTBLI) continues to be negative, consolidation of its figures is not required as per IND-AS and consequently has not been done. The figures of PTBLI for the year ended March 31, 2022 as is disclosed elsewhere in the Consolidated Financial Statements of the group, are as prepared by the management of PTBLI.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

(₹in Lakhs)

**Additional Information to Consolidated Financial Statements for the year ending 31.03.2022**

Name of the Entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net Assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated Other comprehensive Income	Amount	As a % of total comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
<b>Parent</b>	67.69%	1,09,897.84	72.48%	9766.36	106.11%	(807.30)	70.46%	8,959.06
<b>Subsidiaries</b>								
<b>Indian</b>								
Visakhapatnam Port Logistics Park Limited	3.31%	5,377.20	-3.66%	(492.55)	-	-	-3.87%	(492.55)
<b>Foreign</b>								
Balmer Lawrie UK Ltd		-	0.00%	(0.09)	-	-	0.00%	(0.09)
Non Controlling Interest in All subsidiaries	2.21%	3,584.81	-2.44%	(328.36)	-	-	-2.58%	(328.36)
<b>Associates (Investment as per Equity Method)</b>								
<b>Indian</b>								
Avi-Oil India Private Limited	1.16%	1,888.95	0.89%	120.23	0.11%	(0.84)	0.94%	119.39
<b>Joint Ventures (Investment as per Equity Method)</b>								
<b>Indian</b>								
Balmer Lawrie Van leer Limited	5.73%	9,305.56	10.09%	1,359.15	-6.22%	47.32	11.06%	1,406.47
<b>Foreign</b>								
1. Balmer Lawrie (UAE) LLC	19.90%	32,293.98	22.64%	3,050.72	-	-	23.99%	3,050.71
2. PT Balmer Lawrie Indonesia	-	-	-	-	-	-	-	-
Net worth of PTBLI is negative.								
Hence no consolidation has been done								
<b>Total</b>	<b>100.00%</b>	<b>1,62,348.34</b>	<b>100.00%</b>	<b>13,475.46</b>	<b>100.00%</b>	<b>(760.82)</b>	<b>100.00%</b>	<b>12,714.63</b>

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<b>Chennai</b>	Product Development Center	32, Sattangadu Village, Manali, Chennai - 600 068, Phone: +91 44 25946604 E-Mail: <a href="mailto:vijayabaskar.v@balmerlawrie.com">vijayabaskar.v@balmerlawrie.com</a>

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**TRAVEL**

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VACATIONS		
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<b>Delhi</b>	Branch Offices	1 <sup>st</sup> Floor, NBCC Center, Plot No. 2, Community Center, Pocket A, Okhla Phase I, Okhla Industrial Area, New Delhi – 110020, Tel: +91 11 4252 4112 Email: <a href="mailto:nautiyal.v@balmerlawrie.com">nautiyal.v@balmerlawrie.com</a> <a href="mailto:prakash.o@balmerlawrie.com">prakash.o@balmerlawrie.com</a>
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The 104th Annual General Meeting was held on 28th September 2021. In view of the COVID-19 pandemic, the AGM was conducted virtually.



The 156th Foundation Day of the Company was celebrated on 1st February 2022.



Balmer Lawrie was honoured with the Corporate Heritage Recognition 2022 given away by the Bengal Chamber of Commerce and Industry and the Indian National Trust for Art and Cultural Heritage (INTACH) in a first of its kind "Annual Digital Corporate Heritage Recognition" held on 28th January 2022.



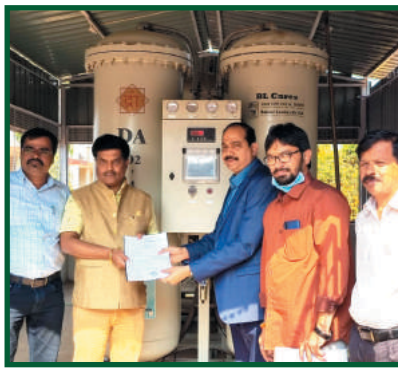
The 2nd Annual Warehouse & Logistics Excellence Awards - 2021 was organised by Quantic India in December 2021 and Balmer Lawrie was awarded as "Winner" under the category - "Logistics Excellence - Innovative Service Provider of the Year".



SBU: Industrial Packaging was awarded a Silver medal in recognition of sustainability by Ecovadis, the world's largest and most trusted provider of business sustainability ratings in December 2021.



Balmer Lawrie - Vacations Exotica (VE) successfully handled the event management on behalf of Indian Oil Corporation Ltd., nodal Company under the aegis of MoPNG, GOI for organising the North East Zonal Conference on PM Gati Shakti at Guwahati on 28th February 2022.



Balmer Lawrie installed Pressure Swing Adsorption (PSA) oxygen plant of adequate capacity at five Government hospitals in the state of Karnataka. The PSA oxygen plants installed in Bhalki and Humnabad were handed over to the respective CMOs by Mr. Adika Ratna Sekhar, C&MD in December 2021.

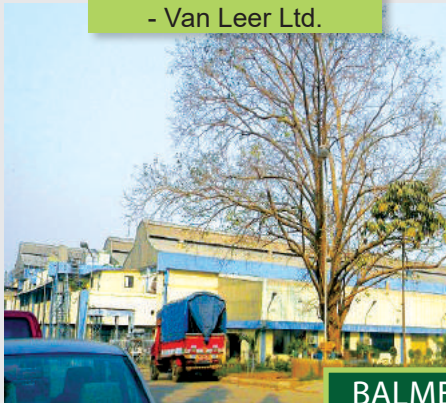


Balmer Lawrie, as part of 'Azadi ka Amrit Mahotsav' celebrations, organised by MoPNG, GOI, carried out tree plantation drives wherein 75 saplings were planted at each of its various units and offices across the country in the months of May and June 2021.



The Silvassa plant of SBU: Greases & Lubricants and the Chennai plant of SBU: Chemicals won Gold medal as part of the National Award for Manufacturing Competitiveness (NAMC) instituted by International Research Institute for Manufacturing (IRIM). The virtual award function was telecast on CNBC TV18 on 27th February 2022.

Balmer Lawrie  
- Van Leer Ltd.



Balmer Lawrie  
- (UAE) LLC



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(भारत सरकार का एक उद्यम)



**Balmer Lawrie & Co. Ltd.**  
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(Under Ministry of Petroleum and Natural Gas)

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