



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/2020

Date: 2nd September, 2020

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 103rd Annual General Meeting and Annual Report for the Financial Year 2019-20

This is further to our letter dated 19th August, 2020 intimating that the 103rd Annual General Meeting (AGM) of the Members of the Company will be held on Friday, 25th September, 2020 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 2019-20 along with the Notice of the 103rd AGM of the Company.

The Notice of the AGM and the Annual Report 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.

काविता भवसार

Kavita Bhavsar
Company Secretary

Encl: As above

Cc: National Securities Depository Limited



Balmer Lawrie & Co. Ltd.

CIN: L15492WB1924GOI004835

(A Government of India Enterprise)

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

Telephone No: 033 2222 5329,

E-mail: bhavsar.k@balmerlawrie.com

Website: www.balmerlawrie.com

Notice of the 103rd Annual General Meeting

Notice is hereby given that the 103rd Annual General Meeting (AGM) of the Members of Balmer Lawrie & Co. Ltd. will be held on **Friday, 25th September, 2020, at 12.00 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 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2020 and other statements attached thereto along with the comments of Comptroller & Auditor General of India thereon and in this connection to pass the following Ordinary Resolution:**

“**RESOLVED THAT** the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial Year ended 31st March, 2020 together with Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2020 and other statements attached thereto along with the comments of the Comptroller & Auditor General of India on the Accounts of the Company, be and are hereby considered and adopted.”

- 2. To declare dividend for the Financial Year ended 31st March, 2020 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. 7.50 (Rupees Seven and Paise Fifty only) per Equity Share for the Financial Year ended 31st March, 2020 be and is hereby declared on 17,10,03,846 Equity Shares of Rs. 10/- (Rupees Ten) each of the Company and same be paid out of the profits of the Company for the Financial Year ended 31st March, 2020.”

- 3. To appoint a director in place of Shri Adika Ratna Shekhar (DIN 08053637), 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 Adika Ratna Shekhar (DIN 08053637), 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 2020-21 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 2020-21.”

SPECIAL BUSINESS:

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

5. Appointment of Shri Adhip Nath Palchaudhuri (DIN 08695322) as Director (Service Businesses) and fixation of terms of appointment

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and applicable provisions of the Companies Act, 2013, Shri Adhip Nath Palchaudhuri (DIN 08695322), be and is hereby appointed as a Wholetime Director to the post of Director (Service 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 on or after 1st March 2020, or till the date of his superannuation, or until further orders from the Ministry of Petroleum & Natural Gas, 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-31024/1/2018 – PNG (23808) dated 20th December, 2019 received from the Ministry of Petroleum & Natural Gas, Government of India.”

6. Appointment of Shri Sandip Das (DIN 08217697) as Director (Finance) and fixation of terms of appointment

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013, Shri Sandip Das (DIN 08217697), be and is hereby appointed as Wholetime Director to the post of Director (Finance), in the scale of pay of Rs. 1,60,000 – 2,90,000/- (revised) with effect from the date of his assumption of charge of the post on or after 1st May 2020 till the date of his superannuation i.e. 31st December 2022, or until further orders, from the Ministry of Petroleum & Natural Gas, whichever is earlier and his period of office shall be subject to retirement of directors by rotation and other terms & conditions as contained in letter no. CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from the Ministry of Petroleum & Natural Gas, Government of India.”

7. Ratification of remuneration of Cost Auditor for the Financial Year 2020-21.

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and read with the Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of M/s. S.B. & Associates, Cost Accountants in Practice, (Firm Registration no.000109) 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 31st March, 2021, at Rs. 1,25,999/- (Rupees one lakh twenty five thousand nine hundred and ninety nine only) plus taxes, as applicable, and reimbursement of out- of-pocket expenses, at actuals, if incurred by the said auditors in connection with the Cost Audit, as aforesaid, 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.”

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

Registered Office:

Balmer Lawrie & Co. Ltd.
Balmer Lawrie House
21, Netaji Subhas Road
Kolkata 700 001

Date : 19th August, 2020

Place: Kolkata

: NOTES :

A. General

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a new norm to be followed. Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 followed by Circular No. 20/2020 dated 5th May, 2020 (“the MCA Circulars”) permitted the holding of the AGM through VC/OAVM, without the physical attendance of the members at a common venue. In compliance with the MCA circulars and Listing Regulations, **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 103rd AGM. The cut off date for ascertaining Members who would be entitled to cast their vote electronically is **Friday 18th September, 2020 (EOD).**
2. 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, vide Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, **the facility for appointment of proxies by the Members will not be available for the 103rd AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
3. 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. Pursuant to Sections 112 and 113 of the Companies Act, 2013, corporate members are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in, authorising their representative to attend and vote on their behalf at the AGM.

4. 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.
5. The Members can join the AGM in the VC/OAVM 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available on first come first served basis. This will not include large Shareholders (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 served basis.
6. In compliance with the aforesaid MCA circulars and Listing Regulations, notice of the AGM alongwith the Annual Report 2019-20 is being sent only through electronic mode to the members whose email addresses are registered with the Registrar and Share Transfer Agent (RTA) of the Company or with the depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and the Notice of AGM is also available on the website of NSDL (agency for providing the e-Voting facility).
7. The recorded transcript of the forthcoming AGM on 25th September, 2020 shall also be made available on the website of the Company at www.balmerlawrie.com as soon as possible after the Meeting is over.
8. 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 blagm2020@balmerlawrie.com.
9. Members seeking any information with regard to any items provided in the AGM Notice 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 and mobile number, at least seventy-two hours prior to the AGM i.e. on or before 12.00 noon IST on 22nd September, 2020 at blagm2020@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 shareholder 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 shareholders, meaningful questions.
10. 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.
11. 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 103rd AGM under item no. 4 of the Ordinary Business which requires passing of Resolution by simple majority.

12. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May, 2020, the matters of Special Business as appearing at Item Nos. 5, 6 & 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
13. 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 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>.
14. Brief particulars of the Directors, proposed to be re-appointed / appointed, as mandated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), is annexed hereto and forms part of this Notice.
15. 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.
16. The Board of Directors at its meeting held on 24th June, 2020, has recommended a dividend of Rs. 7.50 (Rupees Seven 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 approved at the AGM, dividend shall be paid, subject to deduction of income-tax at source wherever applicable, to those shareholders of the Company who are holding shares of the Company as on Friday, 18th September, 2020 (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:

17. 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 1st 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 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 18th September, 2020, (End of Day) to the RTA of the Company, provided that all the prescribed eligibility conditions are met.

Where the PAN is either not available or is invalid, tax shall be deducted at the prescribed rate of 20% (subject to change), whichever is higher.

For Non-Resident Shareholders:

1. 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.
 2. 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 18th September, 2020 (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 2020-21;
 - 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 2020-21;
 - 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 2020-21.
 3. 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.
 4. 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.
18. The shareholders are requested to update their PAN with the Company / Company's RTA: KFin Technologies Private Limited (in case of shares held in physical mode) and with the depositories (in case of shares held in demat mode).

Unpaid/Unclaimed dividend:

19. Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company has transferred Rs.37,36,680/- to IEPF which were belonging to the shareholders whose dividend were unpaid/ unclaimed for the Financial Year 2011-12.
20. Members are requested to note that the unclaimed dividend amount for the Financial Year ended 31st March, 2013 (declared and paid in 2013) will be due for transfer to IEPF on 31st October, 2020.
21. 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 18th September, 2019 (date of last Annual General Meeting) on its website at www.balmerlawrie.com and also on the website of the IEPF.

Compulsory transfer of Equity Shares to the Investors Education & Protection fund (IEPF)

22. Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to IEPF. Accordingly, the Company has transferred 45,554 Equity Shares of the Face Value of Rs. 10/- each belonging to 186 shareholders to IEPF on 30th November, 2019.
23. Further, members are requested to note that in respect of dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF- 5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed by the claimant along with the requisite documents enumerated in Form IEPF-5 to the Nodal Officer of the Company at the Registered Office of the Company for verification of his/her claim.

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

- i. Name of Nodal Officer :- Ms. Kavita Bhavsar, Company Secretary
- ii. Address: Balmer Lawrie & Co. Ltd., 21, Netaji Subhas Road, Kolkata - 700 001
- iii. E-mail ID: bhavsar.k@balmerlawrie.com

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

24. **Book Closure** - The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, 19th September, 2020 to Friday, 25th September, 2020 (both days inclusive)**.
25. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Further, with effect from 1st 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 18th September, 2020 (applicable for shareholders holding shares in physical mode) the following to KFin Technologies Private Limited, Unit - Balmer Lawrie & Co. Ltd.,

the Registrar & Share Transfer Agent (RTA) of the Company at:

- i. Apeejay House, 15, Park Street, C-Block, 3rd Floor, Kolkata – 700 016; OR
- ii. Selenium Building, Tower-B, Plot No - 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana–500032,
- iii. Toll free No. 1800 3454001; Tel: 040-67161500,
- iv. email: 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 alongwith original cancelled cheque which shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook/statement attested by the bank.
 - 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.

26. **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. Members holding the shares in physical form may submit the same to RTA, of the Company KFin Technologies Private Limited, Unit - Balmer Lawrie & Co. Ltd. Members holding shares in electronic form may submit the same to their respective depository participant.

27. 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.
28. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Accounts of each of its subsidiaries are placed on the website of the Company - www.balmerlawrie.com
29. **Green initiative:** Members who have not yet registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company

electronically.

30. Any person who is not a member as on the cut-off date should treat this Notice for information only.
31. Any person, who becomes a member of the Company after the dispatch of the Notice and holding shares as on cut-off day 18th September, 2020 (end of day) may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and passwords for casting the vote.
32. Mr. Mohan Ram Goenka of M/s M R & Associates, Practicing Company Secretary (Membership No. 4515 & CP no. 2551) has been appointed as the Scrutinizer by the Board to scrutinize remote e-voting process before the AGM as well as e-voting during the AGM in a fair and transparent manner.
33. 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.
34. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
35. The Results will be declared within 48 hours of the conclusion of 103rd AGM . The results declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company www.balmerlawrie.com under the section 'Investor Relations' and on the website of 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 shares of the Company are listed.
36. 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 ARE AS UNDER:-

The remote e-voting period begins on Monday, 21st September 2020 at 09:00 A.M. and ends on Thursday, 24th September, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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.nsd.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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password 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.nsd.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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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. Your password details 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.nsd.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.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 mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - 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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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 to reset the password.
3. In case of any query/grievance with respect to remote e-voting, members may refer to the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting User Manual for Shareholders available under the downloads section of NSDL's e-voting website or contact Mr. Amit Vishal, Senior Manager/Ms. Pallavi Mhatre, Manager, NSDL, Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai-400013 at telephone no. 022-24994360/022-24994545 or toll free no. 1800-222-990 or at e-mail id : 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 email 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 blagm2020@balmerlawrie.com .

In case shares are held in demat mode, the shareholder is to follow the process as advised by their depository participants.

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

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 at 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 the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
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.

Explanatory Statement

pursuant to Section 102 of the Companies Act, 2013

[Forming Part of the Notice to the Members]

Item No. 5: Appointment of Shri Adhip Nath Palchaudhuri (DIN 08695322) as Director (Service Businesses) and fixation of terms of appointment

The Board at its meeting held on 4th February, 2020, in line with the recommendation of the Nomination and Remuneration Committee, appointed Shri Adhip Nath Palchaudhuri as an additional director having designation Director (Service Businesses). Further, subject to the approval of shareholders at the AGM, he was also appointed as whole-time director of the Company for a period of five years with effect from the date of his assumption of charge of the post on or after 1st March 2020, or till the date of his superannuation, or until further orders, from the administrative ministry, whichever is the earliest as mentioned in the letter No. CA-31024/1/2018 – PNG (23808) dated 20th December, 2019 received from the Ministry of Petroleum & Natural Gas, (MoPNG) Government of India, in the scale of pay of Rs.1,60,000 – 2,90,000/-(revised).

The Company has received from Shri Adhip Nath Palchaudhuri Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under The Companies (Appointment and Qualification of Directors) Rules, 2014. 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 Adhip Nath Palchaudhuri as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation. If approved, Shri Adhip Nath Palchaudhuri would be appointed for a period of five years with effect from the date of his assumption of charge of the post on or after 1st March 2020, or till the date of his superannuation or until further orders, from the administrative ministry, whichever is the earliest. Shri Palchaudhuri does not hold any share of the Company.

Except Shri Adhip Nath Palchaudhuri and his relatives, being the proposed appointee, none of the other Directors or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

Your Directors recommend the Ordinary Resolution for your approval.

Disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are appended to this Notice.

Item No. 6: Appointment of Shri Sandip Das (DIN 08217697) as Director (Finance) and fixation of terms of appointment

The Board at its meeting dated 4th February, 2020, in line with the recommendation of the Nomination and Remuneration Committee, appointed Shri Sandip Das as an additional director having designation Director (Finance). Further, subject to the approval of shareholders at the AGM, he was also appointed as a whole-time director of the Company with effect from the date of his assumption of charge of the post on or after 1st May, 2020, till the date of his superannuation i.e. 31st December, 2022 or until further orders, from the administrative ministry, whichever is earlier as mentioned in the letter No. CA-31024/2/2018-PNG (25059) dated 20th January, 2020 received from the Ministry of Petroleum & Natural Gas, (MoPNG) Government of India, in the scale of pay of Rs. 1,60,000 – 2,90,000/- (revised). He was also appointed as the Chief Financial Officer of the Company.

The Company has received from Shri Sandip Das Form DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under The Companies (Appointment and Qualification of Directors) Rules, 2014. 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 Sandip Das as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation. If approved, Shri Sandip Das would be appointed with effect from the date of his assumption of charge of the post on or after 1st May 2020 till the date of his superannuation i.e. 31st December, 2022, or until further orders, from the administrative ministry, whichever is earlier. Except Shri Sandip Das, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution. Shri Sandip Das does not hold any share of the Company.

Your Directors recommend the Ordinary Resolution for your approval.

Disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are appended to this Notice.

Item No. 7: Ratification of remuneration of Cost Auditor for Financial Year 2020-21:

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment of M/s. S.B. & Associates, Cost Accountants in Practice, (Firm Registration no.000109) having its registered office at Belanagar, P.O.-Abhoynagar, District-Howrah, Pincode-711025 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 31st March, 2021 at a remuneration of Rs.1,25,999/- (Rupees one lakh twenty five thousand nine hundred and ninety nine only) plus taxes as applicable and reimbursement of out-of-pocket expenses at actuals, if incurred, to be paid on completion of the Cost Audit.

In terms of Section 148(3) of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of the Cost Auditor has to be ratified by the members of the Company. Accordingly consent of the members is sought for approval of the remuneration payable to the Cost Auditor for the Financial Year ending on 31st March, 2021.

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

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

The particulars of directors who are proposed to be re-appointed/appointed at the 103rd Annual General Meeting to be held on 25th September, 2020 as required under regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and para 1.2.5 of (SS-2) are given below:

Particulars	Name of the Director, Designation & DIN		
	Shri Adika Ratna Shekhar * Director (HR&CA) (DIN 08053637)	Shri Adhip Nath Palchaudhuri Director (Service Businesses) (DIN 08695322)	Shri Sandip Das Director (Finance) & CFO (DIN 08217697)
Date of Birth	10 th June, 1964	18 th March, 1969	25 th December, 1962
Date of First Appointment on the Board of Balmer Lawrie & Co. Ltd.	29 th May, 2018	1 st March, 2020	1 st May, 2020
Date of appointment / last re-appointment at the Annual General Meeting	12 th September, 2018	Not Applicable	Not Applicable
Qualifications	a) B.A., b) Master of Social Work	a) B.E (E&C) degree from University of Roorkee (now IIT Roorkee) b) PGDM from IIM Lucknow.	a) Bachelor of Commerce (St. Xavier’s college, Kolkata) b) Member of Institute of Chartered Accountants of India.

Particulars	Name of the Director, Designation & DIN		
	Shri Adika Ratna Shekhar * Director (HR&CA) (DIN 08053637)	Shri Adhip Nath Palchaudhuri Director (Service Businesses) (DIN 08695322)	Shri Sandip Das Director (Finance) & CFO (DIN 08217697)
Expertise in Specific Functional areas	<p>Shri Ratna Sekhar has over 32 years of experience in multicultural organizations in Human Resources Management, Industrial Relations and Administration. He also has hands on experience in Talent Acquisition, Talent Management, Organisational Development, Learning and Development and change management initiatives, 360 degree leadership development program, Career and Performance Management System and performance counseling.</p> <p>He has lead employee engagement Programs, employee welfare and loyalty programs and trade union negotiations in progressive organisations of repute. A keen strategist with the flair for designing and implementing innovative strategies, he is credited for HR interventions in line with industry standards.</p>	<p>Shri Palchaudhuri has professional work experience of over 26 years.</p> <p>Prior to joining Balmer Lawrie & Co. Ltd., Shri Palchaudhuri had worked with a wide variety of organizations in the IT Services/Consulting field in India and abroad. 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.</p>	<p>Shri Das has more than 20 years of experience in Balmer Lawrie & Co. Ltd. During his career in Balmer Lawrie he has worked in core business areas in both manufacturing and services verticals at multiple level as well as in the corporate finance function.</p>
Terms and conditions of reappointment/ appointment	As contained in letter bearing reference no.- CA-31024/2/2017-PNG (49) dated 4 th January, 2019 and CA-31024 /2 / 2017-PNG (49) dated 2 nd May, 2018 from Ministry of Petroleum & Natural Gas.	As contained in letter bearing reference no.-CA-31024 / 1 / 2018 -PNG (23808) dated 20 th December, 2019 from Ministry of Petroleum & Natural Gas.	As contained in letter bearing reference no.-CA-31024/2/2018-PNG (25059) dated 20 th January, 2020 from Ministry of Petroleum & Natural Gas.
Details of remuneration last drawn	Rs.47,80,648/-	Rs.3,70,935/- Shri Palchaudhuri has been appointed as Director (Service Business) w.e.f 1 st March, 2020.	Since Shri Das has been appointed as Director (Finance) w.e.f 1 st May, 2020 this is not applicable.
Details of remuneration sought to be paid	In the scale of pay of Rs.1,60,000-2,90,000/-	In the scale of pay of Rs.1,60,000-2,90,000/- (revised).	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 2019-20	Eight	Not Applicable as after his appointment as director, no Board meeting was held during the Financial year 2019-20.	Not Applicable
Shareholding of the Director in Balmer Lawrie & Co. Ltd.	NIL	NIL	NIL
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	None	None	Shri Sandip Das is also appointed as Chief Financial Officer of the Company.

Particulars	Name of the Director, Designation & DIN		
	Shri Adika Ratna Shekhar * Director (HR&CA) (DIN 08053637)	Shri Adhip Nath Palchaudhuri Director (Service Businesses) (DIN 08695322)	Shri Sandip Das Director (Finance) & CFO (DIN 08217697)
Directorship on the Board of other Companies / offices held in other companies	Vide letter dated 14 th July 2020 of MOPNG, Shri Adika has been nominated as Managing director of Biecco Lawrie Limited with effect from 21 st April, 2020.	1. Visakhapatnam Port Logistics Park Limited	1. Balmer Lawrie Investments Ltd. 2. Visakhapatnam Port Logistics Park Limited. 3. Balmer Lawrie Van-Leer Limited. 4. Transafe Services Limited. 5. Pt. Balmer Lawrie Indonesia 6. Balmer Lawrie (UK) Ltd.
Membership/ Chairmanship of Committee(s) of Balmer Lawrie	1. Corporate Social Responsibility Committee- Member 2. Stakeholders Relationship Committee - Member	1. Corporate Social Responsibility Committee- Member 2. Risk Management Committee- Member	1. Audit Committee- Member 2. Corporate Social Responsibility Committee- Member 3. Stakeholders Relationship Committee- Member
Membership/ Chairmanship of Committee(s) of the Board of other Companies		NIL	Balmer Lawrie Investments Ltd. i) Audit Committee – Member ii) Stakeholders Relationship Committee (SRC) - Chairman iii) Corporate Social Responsibility Committee (CSR) – Member Balmer Lawrie- VanLeer Limited i) Stakeholders Relationship Committee – Member Transafe Services Limited i) Audit Committee – Member ii) Nomination and Remuneration Committee - Member

Note : * Shri Adika Ratna Shekhar retires by rotation and being eligible offers himself for re-appointment.

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

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

Date : 19th August, 2020
Place: Kolkata

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

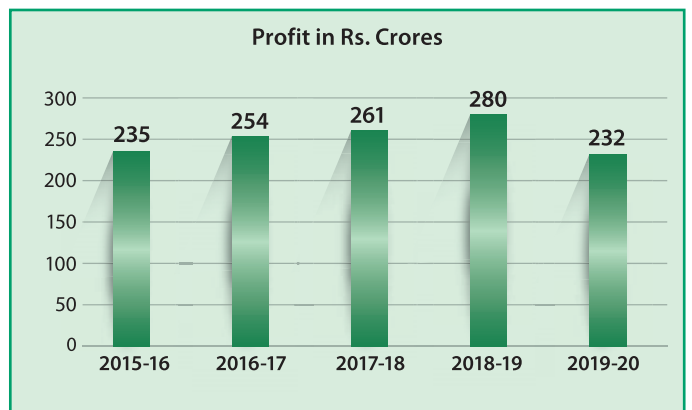
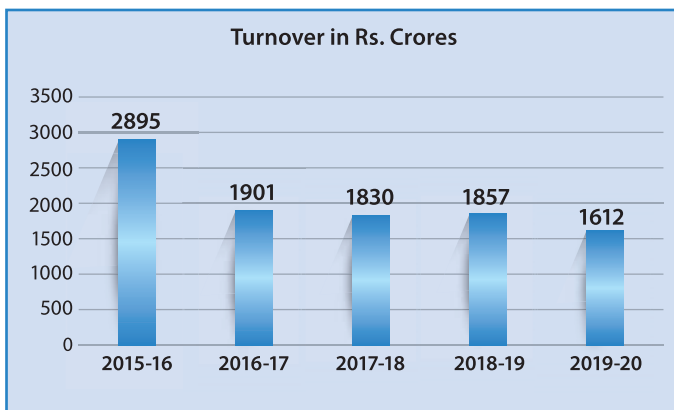
(A GOVERNMENT OF INDIA ENTERPRISE)



A MINIRATNA | PSE
(Under Ministry of Petroleum & Natural Gas)



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.





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

– Shri Narendra Modi
Prime Minister of India



As part of the Swachh Bharat Abhiyan (SBA), toilets were constructed in primary Government schools of West Bengal, Assam, Andhra Pradesh, Chhattisgarh and Haryana and were maintained as per need. Toilets were also constructed in a Government school at Manali, Chennai and a public toilet was sponsored in the Botanical Garden at Noida in association with Sulabh International and Delhi Metro Rail Corporation. The SBA activities during the Financial Year 2019-20 were particularly focused on banning single use plastic. Besides organising awareness workshops for employees and other stakeholders, Balmer Lawrie ran a campaign #AbNahiTohKab on its Facebook and Twitter pages focusing on elimination of single use plastic. Taking forward the capacity building on health & hygiene project at Sayali village in Silvassa, a Memorandum of Agreement was signed between Balmer Lawrie as sponsor, Swadeep Shikshan Vikas Sanstha, Ahmedabad, the Implementation Partner and the Collector District Magistrate, Dadra & Nagar Haveli, Silvassa, the Operating Partner. Training sessions and workshops on health, hygiene and nutrition were organised and personal hygiene kits, sanitation kits, dustbins etc. were distributed. The objective of the project is to ensure sustainable development by promoting good health, quality education, clean water and sanitation in Sayali village.

“
*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 (SDI) 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 300 Lakh for the SDIs at Ahmedabad, Raebareli, Guwahati, Visakhapatnam, Kochi 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.



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 | LEATHER CHEMICALS | TRAVEL & VACATIONS | LOGISTICS | REFINERY & OIL FIELD SERVICES



BALMER LAWRIE & CO. LTD.

A DECADE OF PROGRESS

[Rs. / Lakh]

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
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
2010-2011	1629	51755	-	33572.77	78133	52002	123656	18104	4995	13109	4921	1417
2011-2012	1629	60262	-	38802.99	87813	54166	147077	19027	5220	13807	5300	1440
2012-2013	1629	70671	-	42843	93787	55009	157205	22352	6075	16277	5869	1465
2013-2014	2850	79114	-	46923	101256	61875	159797	21962	6295	15667	6002	1431
2014-2015	2850	87456	-	60629	96704	50458	176731	21044	6300	14744	6204	1365
2015-2016	2850	96883	-	40004	108439	55349	165731	24021	7701	16320	6893	1248
2016-2017	11400	105199	-	42681	123132	57148	177946	25411	8369	17042	9650	1153
2017-2018	11400	114185	1490	46590	125436	53830	179710	26112	7630	18482	13786	1128
2018-2019	11400	118620	1367	49123	117498	52299	185375	28010	9160	18850	15119	1069
2019-2020	17100	114866	1118	59549	114969	48788	161216	23244	5527	17717	12825	1076

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Company Information

Board of Directors (as on 19/08/2020)	<ul style="list-style-type: none"> : Shri Prabal Basu, Chairman & Managing Director : Shri Adika Ratna Sekhar, Director (Human Resource & Corporate Affairs) : Shri Adhip Nath Palchaudhuri, Director (Service Businesses) : Shri Sandip Das, Director (Finance) & Chief Financial Officer : Shri Vijay Sharma, Government Nominee Director : Smt. Perin Devi Rao, Government Nominee Director : Shri Sunil Sachdeva, Independent Director : Shri Vikash Preetam, Independent Director : Shri Arun Tandon, Independent Director : Shri Arun Kumar, Independent Director : Shri Anil Kumar Upadhyay, Independent Director : Shri Bhagawan Das Shivahare, Independent Director
Company Secretary	: Ms. Kavita Bhavsar
Registered Office	: Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road Kolkata – 700 001
Bankers	<ul style="list-style-type: none"> : Bank of Baroda : Canara Bank : HDFC Bank Limited : Indian Bank (earlier Allahabad Bank) : IndusInd Bank Limited : Standard Chartered Bank : State Bank of India
Statutory Auditors	: M/s, B K Shroff & Co., Chartered Accountants 23A, Netaji Subhas Road, 3rd Floor Room No. – 15, Kolkata – 700001,
Branch Auditors	<ul style="list-style-type: none"> : For Western Region M/s, M B Agrawal & Co., 204, Mhatre pen building Senapati Bapat Marg, Dadar (West) Mumbai – 400 028 : For Southern Region M/s, Venkat & Rangaa, LLP Majestic Apartments Flat no. 5, 1st Floor 13 Soundararajan Street T Nagar, Chennai – 600 017 : For Northern Region M/s, Kumar Chopra & Associates B-12 G.F. Kalindi Colony Near Maharani Bagh New Delhi – 110 065
Internal Auditors	: M/s, Haribhakti & Co., LLP 701, Leela Business Park, Andheri Kurla Road Andheri (East), Mumbai - 400059
Registrar & Share Transfer Agent	<ul style="list-style-type: none"> : KFin Technologies Private Limited, Kolkata Branch Apeejay House Block “C”, 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900 Registered Office Selenium Building, Tower - B, Plot No. 31&32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana–500032, Toll Free No: 1800 3454001 Email: einward.ris@kfintech.com www.kfintech.com.

MANAGEMENT TEAM

Sl No.	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2020
1.	SHRI PRABAL BASU	B.COM. [HONS], ACA, ACMA, ACS, EPGM (MIT)	CHAIRMAN & MANAGING DIRECTOR	18.10.1963	04.04.1988	34
2.	SHRI ADIKA RATNA SEKHAR	B.A., MSW	DIRECTOR [HUMAN RESOURCE & CORPORATE AFFAIRS]	10.06.1964	27.01.2014	32
3.	SHRI ADHIP NATH PALCHAUDHURI	B.E.[ELECTRONICS & TELECOMMUNICATION] & PGDM	DIRECTOR [SERVICE BUSINESSES]	18.03.1969	13.02.2012	26
4.	SHRI SANDIP DAS	B.COM., ACA	DIRECTOR [FINANCE] & CHIEF FINANCIAL OFFICER	25.12.1962	24.05.1993	31
5.	SHRI R M UTHAYARAJA	B.E. [CHEMICAL]	CHIEF OPERATING OFFICER [LEATHER CHEMICALS]	11.08.1967	31.12.2014	29
6.	SHRI MANAS KUMAR GANGULY	B.COM [HONS], CMA [INTER]	CHIEF OPERATING OFFICER [LOGISTICS]	03.09.1968	16.03.2015	29
7.	SHRI SREEJIT BANERJEE	B.SC., B.TECH	CHIEF OPERATING OFFICER [GREASES & LUBRICANTS]	04.06.1967	01.04.2016	27
8.	SHRI SUNDAR SHERIGAR	B.COM	CHIEF OPERATING OFFICER [INDUSTRIAL PACKAGING]	18.02.1961	23.01.1984	36
9.	SHRI ROMON SEBASTIAN LOUIS	B.COM, PGDMM, PGDMSM	CHIEF OPERATING OFFICER [LOGISTICS INFRASTRUCTURE]	22.11.1972	02.11.1998	26
10.	Ms. SANDHYA MALIK	MA [ENG], DIP [TRAVEL & TOURISM]	CHIEF OPERATING OFFICER [TRAVEL]	24.09.1959	08.09.2015	36
11.	SHRI UDAYAN GHOSH	B.COM, CA, CS [INTER]	SENIOR VICE PRESIDENT [INTERNAL AUDIT] & CHIEF RISK OFFICER	21.04.1963	06.06.1994	30
12.	Ms. KAVITA BHAVSAR	B.COM [HONS], FCS, LL.B, PGDFM	COMPANY SECRETARY	11.02.1968	08.12.2014	30
13.	SHRI RAJ KUMAR MAITY	B.E. (MECH), EXECUTIVE MANAGEMENT (GENERAL MANAGEMENT, STRATEGY)	VICE PRESIDENT & BUSINESS HEAD [VACATIONS]	31.12.1974	31.10.2011	21

DEPUTED / SECONDED FROM BALMER LAWRIE TO JOINT VENTURE COMPANY						
Sl No.	Name	Qualification	Designation & JV Company	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2020
1.	SHRI SANTANU CHAKRABARTI	B.E.	CHIEF EXECUTIVE OFFICER, TRANSAFE SERVICES LIMITED	05.10.1961	16.09.2002	37
2.	SHRI AMIT KUMAR BASAK	M.CH.E., MBA [FINANCE]	PRESIDENT DIRECTOR, PT BALMER LAWRIE INDONESIA	04.01.1962	08.10.1987	34
DEPUTED FROM THE GOVERNMENT OF INDIA TO BALMER LAWRIE						
1.	SHRI VINOD KUMAR - IFoS	M.SC. IN SOIL SCIENCE & AGRI. CHEMISTRY	CHIEF VIGILANCE OFFICER	11.4.1963	10.10.18	33

CHAIRMAN'S ADDRESS



Dear Esteemed Members

A very warm welcome to all of you at 103rd AGM of the Company. As informed in the notice of the AGM also, in view of the massive outbreak of the COVID-19 pandemic and in compliance with circulars of the Ministry of Corporate Affairs ("MCA"), this AGM is being held through VC/OAVM, unlike the physical attendance of the members at a common venue in earlier years.

We hope you and your family members are safe and healthy during this unprecedented time. Unprecedented times require unprecedented measures. This is for the first time in history of the Company that the AGM is conducted virtually. This is a new experience for the shareholders as well as for the management.

Social distancing is a new norm to be followed and we all have accepted the new normal for better future. On the positive side, the virtual meeting has widen the horizon of participation of shareholders and given us an opportunity to interact with our shareholders globally.

Before we begin, I would also like to take this opportunity to express my gratitude to all stakeholders for their continued support and trust placed in the Company.

1. The Business Environment

The year 2019 was a difficult year for the global economy after slowing sharply in the last three quarters of 2018, the pace of global economic activity remained weak in 2019. Momentum in manufacturing activity also weakened substantially, to levels not seen since the global financial crisis. Rising trade and geopolitical tensions increased uncertainty about the future of the global trading system and international cooperation.

Amidst a weak environment for global manufacturing, trade and demand, the Indian economy slowed down with Gross Domestic Product (GDP) growth moderating to 4.8 % in the first half of 2019-20, lower than 6.2 % in second half of 2018-19. In an attempt to boost demand, Financial Year 2019-20 has witnessed significant easing of monetary policy with the repo rate having been cut by RBI by 110 basis points. It is pertinent to note that the performance of the Indian Economy in terms of the Real GDP Growth is better than the advanced economies. The inflation rate in India was soaring at 4.5% during 2019 and the same has subsided to 3.3 % during 2020.

During April-December 2019, world crude oil prices declined owing to weak global demand. The mineral oils group in Wholesale Price Index saw an inflation of 5.8 % in April 2019, thereafter it saw continuous decline to end at (-)3.2 % in December 2019. While a growth in logistics sector is expected to open new vistas for the Company, the developments like Direct Port Delivery will have adverse effect on CFS business of the Company. Similarly, Travel and Tours business was facing the slowdown in international tourist arrivals since 2018, which was followed by the massive hit because of COVID-19 pandemic thereby disrupting the travel tourism industry.

The coronavirus pandemic has had a negative impact on the economy of the nation. However, India has faced the COVID-19 situation with fortitude and a spirit of self-reliance. India has demonstrated how it rises up to challenges and uncovers opportunities therein.

The Government has introduced various packages covering all segments of the economy and citizens,

which include relaxation in Statutory and Compliance matters, Decriminalisation of the Companies Act, 2013, Collateral-free Automatic Loans for Businesses, including MSMEs, EPF support for business & workers for 3 more months, more world-class Airports through PPP, Reforming Governance for Ease of doing business, Health reforms & initiatives, Technology driven education with Equity post-COVID-19, Public Sector Enterprise Policy for a New self-reliant, India, supporting State Governments.

Hon'ble Prime Minister has called for आत्मनिर्भर भारत or Self-Reliant India and also emphasised on "Vocal for our local products" and "make them global".

Despite the tough scenario at the macro level, we are happy to share some highlights of the new initiatives taken and milestones achieved by the Company during the Financial Year 2019-20:

- In June 2019, the new Industrial Packaging plant for steel drum manufacturing at Vadodara, Gujarat was inaugurated.
- On 15th July 2019, the new avatar of Balmer Lawrie's online travel portal, now known as FlyLikeking.com, was launched.
- On 10th December 2019, the new state-of-art Finishing Chemical plant with cutting-edge technology was commissioned at Chennai.
- On 20th February 2020, SBU: Greases & Lubricants launched 'Balmerol' automotive products at Kathmandu in Nepal.
- In February, 2020, SBU: Logistics Infrastructure has commissioned a Warehouse with capacity of approximately 80000, sq.ft with Cold storage capacity of 5000 sq. Ft at Andhra Pradesh MedTech Zone (AMTZ) located at Pragati Maidan, Visakhapatnam.

We may now discuss the performance of each of our Strategic Business Units in details.

1. INDUSTRIAL PACKAGING [SBU:IP]

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

Balmer Lawrie & Co. Ltd. is the market leader in manufacturing of 210 Ltr Mild Steel (MS) Drum industry (which is part of rigid industrial packaging segment) with a market share of more than 32%, and has over 70 players across India. The industry has higher capacity compared to the market demand leading to intense competition in the market place.

The SBU operates through seven manufacturing plants on pan India basis which include the state-of-the-art facility at Navi Mumbai and manufactures high quality Drums ranging from Open-Head, Tight-Head, Plain, Lacquered, Composite, Galvanized, Tall, Necked-In and Conical Drums catering to diverse industry segments and the best-in-class customers in these segments.

The key industry segments, to which MS drum industry cater are: Lubricants, Chemicals & Agrochemicals, Additives, Food & Fruits, Fruit Pulp, Edible Oils and various Liquid and Semi Liquid substances and Transformer Oil. These are the major segments contributing to approximately 90% of SBU sales.

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

The SBU has been showing a consistent growth in volume, turnover and profits. However, during the current year due to overall compressed demand and lower demand from fruit pulp industry, the volumes were under pressure. In spite of the adverse market situation, SBU was able to better the profitability as compared to previous year. The SBU improved its overall efficiency through operational excellence across various manufacturing units.

Newly set up Vadodara plant, is gradually scaling up its operations and expected to provide a significant edge to the SBU for further growth. During the Financial Year 2019-20, the Silvassa plant was rated for Gold Category and Chennai plant was rated Bronze category under National Award for Manufacturing Competitiveness. Further, the Navi Mumbai plant was rated in Gold category in National Green Manufacturing Challenge 2019. Balmer Lawrie retained Silver Rating from Ecovadis – a global solution provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

Although the outbreak of COVID-19 pandemic and continuing lockdown has casted general uncertainty regarding the resumption of normalcy, it is expected that the unlocking will be gradual, affecting businesses across all segments. The SBU expects recovery of business in the second half of Financial Year 2020-21. The SBU anticipates significant growth in the coming years with the biggest drivers being Chemicals/

Agrochemicals, Transformer Oils and Additives segment. The SBU has plans to aggressively expand in the Exports segment.

2. GREASES & LUBRICANTS [SBU: G&L]

The lubricant market witnessed growth challenge in Financial Year 2019-20 due to slowdown in economy and sluggish demand from auto industry. The lube market in India is expected to grow at a CAGR of 1.5% through 2023 following the current slowdown due to the COVID-19 pandemic. The competition in the market is intense with global players and local manufacturers putting up aggressive strategies.

The SBU has Pan India operation with three manufacturing plants located in Kolkata, Silvassa and Chennai. The SBU, with currently less than 2% market share, has excellent opportunity to grow. Balmerol Brand is having a positive Brand Image in Greases and Specialties segments due to long presence.

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

- a) Contract Manufacturing and Processing:
- b) Direct Sales
- c) Channel Sales (Automotive and Industrial)

SBU: G & L will continue focusing on Direct Sales which is a Profitable and sustainable business segment. Measures like shifting from tender business to non-tender business, shifting from conventional products to value added products for better margins in Steel, Mining, Infrastructure, Fleet and Auto OEMs segment, increased level of engagement with customers and end-users would lead SBU to new heights.

The small pack sales have registered growth over Financial Year 2018-19 and there has been an increase in Retail Outlets selling Balmerol Brand, which has contributed to better profitability. The Balmerol brand has now been launched in the Nepal market and we intend to sell 300 KL in Financial Year 2020-21 in this market. The SBU will continue focusing on increasing network in focused states. Diesel Engine Oil & Motor Cycle Oil will be prime focused products.

During the year under review the SBU has witnessed a de-growth in its overall performance in terms of production and sales as well as the topline as compared to last year, resulting in a consequent drop in its bottomline. The SBU has worked out strategies in the perspective of product substitution, cost effective formulations, value addition, bio-degradable products, etc., to combat the challenge of margins in the coming Financial Year.

3. LEATHER CHEMICALS [SBU:LC]

Leather sector has been identified as one of the focus sectors under Make in India program by the Government. There are three stages of processing Beam House, Wet End and Finishing. SBU:LC is traditionally stronger in wet end operations where it is holding considerable market share among the Indian players in India. This year SBU:LC has entered into the Beam House chemicals segment and the SBU has forayed its range of Finishing chemicals. A state of art finishing chemicals plant has been commissioned in Chennai during the year. The SBU has introduced new chemicals in Beam House segments like Wetting agents, Basic Chrome sulphate (BCS), etc. The SBU also launched a range of finishing chemicals being manufactured in a modern manufacturing facility.

SBU:LC will have an advantage to target more customers with its wider product basket. Since export of raw hides and skins are banned in India, the entire resource of hides and skins are getting converted into leather and leather products for export and domestic use. There is a huge scope available in the Syntan market also. SBU has its plan to tap the market with both existing and new products.

The important new products launched in last year were Balmol PG1 and Balwet 90 which played a significant role in gloving segment in Eastern Region. They have been well accepted by majority of the customers.

This industry is a fashion driven industry. Regular new products and cost-effective recipe based technical services are necessary for tanneries and leather chemical manufacturing companies.

SBU Leather Chemicals holds a major market share in the Fat liquors segment and is also a significant market share holder in Syntan segment. This SBU has enough opportunities to grow in other segments like Finishing and Beam House Chemicals.

The SBU has well equipped 'Technical Service Center' 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 which is now popular in the market.

Inspite of volatile market conditions and closure of tanneries in Northern region, SBU managed to make profits continuously for the fifth year through OPEX initiatives, process improvements, proactive sales and marketing activities. However, shrinking market due to less export order, increasing demand for Non-leather products, environmental issues are the major threats. Closure of Northern region tanneries due to environmental issues, increasing usage of non-leather products, lesser export orders are the major risks and concerns for this SBU.

4. LOGISTICS

Logistics Infrastructure (LI)

Logistics is considered to be the backbone of the economy. The goal of logistics is to meet customer requirements in a timely and cost-effective manner. The Logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers, which define whether the industry is able to help its customers, reduce their costs and provide effective services.

The Logistics Infrastructure business comprises of three main segments viz., Container Freight Stations (CFS) typically set up in the vicinity of Ports, Warehousing & Distribution (W&D) and Temperature Controlled Warehouses (TCW).

CFS provides an integrated platform for activities such as loading/unloading, transporting, stuffing, de-stuffing of containers. Presently, the Company has three state-of-the art CFSs located at Nhava Sheva (Navi Mumbai), Chennai and Kolkata. Incidentally, these three ports account for nearly 53% of the total container traffic handled in Indian Ports. The industry witnessed the implementation of technology driven policies to clear the containers or cargo at fast pace so as to facilitate “ease of doing business” for the importers and exporters. Direct Port Delivery (DPD) especially at Nhava Sheva was started during the fourth quarter of Financial Year 2016-17 and the measures taken to streamline its effective implementation resulted in significant reduction of volume available for CFS. Further to this, the DPD concept has been extended to all the locations to facilitate reduction of costs for the importers.

The warehousing industry in India is growing at a rate of 10-12 % every year. The Indian warehousing and logistics sector is estimated to attract nearly 10 Billion USD investments over the next 4-5 years. With addition of around 200 million sq. ft. warehousing space across India, total supply is expected to nearly double by 2022.

The Company's Warehousing and Distribution facilities are presently available at Kolkata and Coimbatore locations. Your Company has successfully bagged a contract for providing warehousing and distribution facility for the manufacturing units operating out of Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis. The warehouse capacity is of 80000 sq. ft. in which cold storage consists of 5000 sq. ft. The same has been commissioned in February 2020 and the operational activities shall be started soon.

India's cold chain industry is still evolving, not well organized and operating below capacity. Indian cold chain market is projected to reach Rs. 3,000 Billion by

2025, growing at a CAGR of 14.8% during 2020-25. The key growth drivers include growth in organized retail and food service industry, Government's initiatives and rising export demand for processed and frozen food. The industry has now become an integral part of the supply chain industry comprising of refrigerated storage and refrigerated transportation.

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries. However, for the last few years, CFS /ICD industry was facing tough times which reflected in declining container volumes for CFS and reduced Profit margins for most of the operators primarily due to difficult global environment as well as issues on the domestic front. The decrease in the dwell times 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.

All the three TCWs of the Company i.e. at Hyderabad, Rai (Haryana) and Patalganga (Maharashtra) are operational. The Company is also in the process of setting up a cold storage in state of Odisha near Bhubaneswar which is expected to be operational in the Financial Year 2020-21.

The Company is venturing into Cold Chain Transportation business and in the process, procured 18 number of reefer vehicles. These will be used for providing end to end solutions to the customers. Through these facilities, the Company will not only be providing reliable temperature-controlled solutions but also act as a differentiator in the TCW domain.

The Company has also been managing Integrated Check Post (ICP) Operations at Jogbani and Raxaul, Bihar.

During the year, the CFS business was not able to grow in volume, revenues and earnings as compared to the previous year but was able to retain its present set of customers. Warehousing activity continues to perform well during the year due to better utilisation of space and business segment of Temperature Controlled Warehouses has also started looking up.

The pandemic has a widespread impact on throughput and occupancy for Warehousing and CFS industry. The SBU is not likely to be able to deviate from the industry growth trajectory.

However, SBU:LI of Balmer Lawrie is able to bring together a unique set of value proposition to its customers. When coupled with SBU:LS it is a combination of asset light and asset intensive plays in the Logistics sector – thus spanning a wider gamut of services for which the customers look at Balmer Lawrie as a “one stop shop”. Within the asset-centric business, the SBU is able to offer a basket of solutions:

Container Freight Stations, Temperature Controlled Warehouses, 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 the SBU a partner of choice to Importers, Exporters, Shipping Lines, CHAs, Freight Forwarders and the trade.

To sum up, although there are multiple hurdles for the Industry and the SBU, it is expected that a combination of factors like diversified service range, pan-India presence, technology-led customer intimacy, knowledgeable resources – will ensure that the SBU will be able to grow in the face of significant crisis inflicted to the economy by the pandemic.

Logistics Services (LS)

The Indian Logistics sector is contributing around 14% of country's GDP and is expected to expand significantly in the next few years. With the easing of FDI norms, introduction of the E-Way Bill, growth of ecommerce, positive changes in the regulatory policies, and the various Government initiatives such as Bhartmala, Sagarmala, Dedicated Freight Corridors, Inland Waterways & Coastal Shipping programs, Make in India, Multi-Modal Logistics Park Policy, Digital India etc., the sector is poised to grow manifold in the years to come. Granting of infrastructure status and industry status to the sector has made it easier for investment inflows and this is a major growth driver of the Logistics industry.

The Government expects the Indian logistics sector to grow to USD 360 billion by 2032.

Logistics cost in India, is very high compared with more efficient global environments, and the sector continues to be highly unorganized. The overall economic activity and trade volume started declining since January 2020 impacting the Exim volume.

Thus, it is imperative for logistics service providers to innovate and adapt to the transforming logistics landscape.

SBU Logistics has presence in International Air/Ocean Import/Export Freight Forwarding & Project Cargo movement. Air freight services, though suffered a declining trend in the year under review, continued to be a dominant activity of the SBU with around 56% (last year 68%) share of the overall topline. Other than Air Import and Export activities, Ocean freight also has contributed more than 27% of the overall topline for the SBU where the SBU has registered a growth of around 36% (last year).

The SBU was able to retain its major GOI and PSU customers and was also able to get some new businesses from those contracted customers.

The SBU 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. The SBU has focused on strengthening its Marketing wing through proactive Brand positioning and enhancement in different forums and digital platforms to drive exponential growth.

Disruption of services has been observed due to the COVID-19 pandemic which is going to see a lot of consolidations happening amongst the small freight forwarders, which will open up gates with various customers for the SBU.

The SBU has been continuously working closely with its Worldwide Agents & Associates. The SBU has also increased the number of Associates in different countries like China, Africa and South America to be more competitive in handling Ocean volumes.

Due to competitive market, revenue generation avenues in the hands of logistics operators is getting squeezed, while input cost in terms of freight as charged by carriers is showing increasing trend. The issue is expected to become more intense and volatile in the near future for at least the next one year.

The SBU is taking adequate steps to mitigate the challenges. The SBU has revamped its existing technology solutions and has plans to further upgrade it in the near future to meet various business challenges.

5. TRAVEL & VACATIONS

Ticketing

The year 2019-20 was a tumultuous year for the travel industry with closure of Jet Airways, grounding of Boeing 737 Max aircraft and an unprecedented debt crisis of Cox & Kings and Thomas Cook, UK. The overall economic slowdown coupled with the continued changes in the political scenario of the country like - Lok Sabha elections and the Jammu & Kashmir lockdown greatly impacted travel within the country. With increase in the market share of Low-Cost Carriers the ticketing segment faces a further challenge with decline in revenue due to lower commissions and Productivity Linked Bonus.

Despite the SBU facing challenges in terms of changes in airlines strategy to cut distribution cost, denial of segment fee by GDS and stiff competition by online portals & technology firms, it has been able to increase its bottom line by virtue of delivering superior service to its customers.

The SBU has been the most severely impacted amongst all businesses under the COVID-19 crisis

as travel has come to a complete standstill effective March 2020. The number of domestic air passengers fell by 33% in March 2020 as compared to previous year. Austerity measures, risk aversion of flying and the advent of online video conference tools has halted Corporate Travel. For the industry and the SBU, it may take 2-3 years to reach its pre-COVID-19 levels of passengers flown.

The Ticketing Vertical has been operating primarily in the areas of ticketing for Corporates/Government clients, LTC tickets for Government officials/their families and walk-in clients – offline and online in B2C segment. Despite the lower revenue the SBU has grown its profits by over 6% on the basis of continued efforts to control costs such as manpower, Interest and other overheads costs.

Significant opportunities to gain market share in the institutional segment exist and this can be achieved by leveraging technology tools and customer intimacy. Our Company has also established an online B2C brand “FlylikeKing” and significant head room is available for growth as competition struggles to remain afloat during this unprecedented crisis. The business headquarters have moved into its own premises in Delhi at NRO, Okhla, thereby saving rental costs.

Vacations

Due to COVID-19 Pandemic, the tourism and hospitality sector that has been hit the most given all the border closures, travel restrictions and lockdowns. The spread of COVID-19 Pandemic is invariably linked to travel. The Pandemic has slammed all the segments and tourism verticals. The forward bookings for the season of October 2020-March 2021 which should have started picking up are all muted and the industries are showing discouraging signs. Unless the progression of the virus stops, almost the entire value for the remainder of 2020 season is at risk.

Before pandemic, the Ministry of Tourism had also been working tirelessly on strategies to boost domestic tourism. Campaigns such as Swadesh Darshan, theme-based tourist circuits were launched to harness the tourism industry’s potential. Once the pandemic situation settles, the travel is expected to resume initially with weekend staycations, road trips and domestic getaways. This will be later followed by international travel once confidence on air travel resumes. In India, foreign tourists represent less than a percent of tourism activity. The lion’s share of tourism activity being domestic, India’s travel and tourism sector will largely be insulated from the immediate aftermath of the pandemic. The destination marketing services is likely to see a drastic shift.

During these testing times, your Vacations Vertical has researched and accordingly planned strategic

actions to grab the market once it opens. The products have been designed and the manpower has also been trained online during the pandemic based on these strategies. Through social media and by working with the travel trade, the marketing team is keeping the interest in the destinations alive so that consumers have a desire to travel there once the restrictions are lifted. To exploit these opportunities, Vacations Vertical is very adept at putting out domestic as well as international short-haul programmes.

Significant growth in Corporate Business was achieved by Vacations to make up for the shortfall in Retail & MICE which was a result of challenging business environment/significant industry slowdown in Financial Year 2019-20

The recovery might be slow, however once the pandemic is controlled, the tourism industry will be one of the first one to see major growth as after a very long time of restricted / almost nil travel, people would be looking forward to exploring once again.

6. REFINERY & OILFIELD SERVICES [SBU:ROFS]

The SBU:ROFS is engaged in the activity of Mechanized Oily Sludge Processing and Hydrocarbon Recovery from Crude Oil Storage tanks and Lagoons. The Services not only enable recovery of valuable hydrocarbons from Oily waste, but also contribute to environment conservation through eliminating hazards associated with oily waste handling and disposal. This continues to be a niche industry and the Company is a pioneer and the market leader with market share of above 60%.

The SBU continues to enjoy sizable market share in the processing of oily sludge. Additional growth opportunity exists with the applicability of strict pollution norms and increased focus on fuel and environment conservation in the oil industry. The SBU intends to leverage its experience in project execution and wide base of satisfied clientele to foray into allied service areas.

The SBU is also committed towards continuous technology upgradation to be at par with global standards and aims to maintain its competitive edge in the Indian market through absorption of updated technologies for mechanized oily sludge processing.

In Financial Year 2019-20, the SBU has been able to achieve its targeted Turnover and Profit. The Market demand is expected to be focused on faster execution timelines and better HSE compliance, with preference for closed loop technologies, requiring minimal manual intervention, thereby negating the hazards related to exposure to hazardous oily sludge.

The SBU aims to maintain market leadership 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 cleaning technology is also being explored for augmentation of service offerings.

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

The SBU has been able to achieve growth in both turnover and profit over last year. The equipment utilization levels have been able to meet the targeted levels and increased operating efficiency and cost control have enabled us to exceed our targets for the Financial Year.

OVERALL FINANCIAL PERFORMANCE

The Company recorded net turnover of Rs.1612 Crores during Financial Year 2019-20 as against Rs.1854 Crores in Financial Year 2018-19 registering a decrease of approximately 13% above last year. The Company recorded a Profit Before Tax of Rs.232 Crores in Financial Year 2019-20 as against Rs.280 Crores in Financial Year 2018-19. The decrease is being attributable to the decrease in the performance of some SBUs, particularly SBU: Logistics.

CORPORATE GOVERNANCE

Corporate governance essentially involves balancing the interests of your Company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community. 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 on affairs of the Company.
- 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 SEBI 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 conduct its business in a socially responsible manner and be responsive to the needs of the society at large. Consistently, the organization has undertaken various CSR initiatives since the last few decades driving sustainable development and growth for its stakeholders. In line with this, the Company has been driving various projects independently across the country and has also been supporting various programs initiated by the Government of India like Swachh Bharat Abhiyan, Ekal Vidyalayas, Development Work for Aspirational Districts and Skill Development Institutes, etc. CSR has become an integral part of the Company's functioning.

To extend our commitment towards a sustainable society your Company has undertaken various innovative CSR programs. The Company has been successful in its commitment towards the CSR programs, and is constantly making progress for the betterment of the communities. Your Company is building a partnership with the organizations that can access the needs of the communities and can deliver the Company's CSR commitments. 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 and the Companies Act, 2013.

A total sum of Rs. 514.36 Lakh was spent during the Financial Year 2019-20, towards CSR activities.

ACKNOWLEDGEMENT

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

Prabal Basu
Chairman & Managing Director
Date: 19th August, 2020

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting the 103rd Report on the operations and results of your Company for the Financial Year ended 31st March, 2020, together with the Audited Financial Statements, Auditor's Reports and the Comments of Comptroller & Auditor General of India on the Accounts of the Company and other statements/ reports attached thereto.

FINANCIAL SUMMARY & HIGHLIGHTS

(Rs. in Lakh)

	STANDALONE FINANCIAL RESULTS		CONSOLIDATED FINANCIAL RESULTS*	
	Year ended 31 st March		Year ended 31 st March	
	2020	2019	2020	2019
Surplus for the year before deduction of Finance Charges, Depreciation and Tax	28234	31238	24004	28401
Deduct there from:				
i. Finance Charges and Depreciation	4989	3228	6660	3743
ii. Provision for Taxation	5527	9160	5527	8547
Profit after Tax (PAT)	17717	18850	11817	16111
Add: Transfer from Profit & Loss Account	79750	74713	100836	93732
Total amount available for Appropriation	97467	93563	112653	109843
Appropriations:				
Dividend @ Rs. 11.00 (Rupees Eleven Only) per equity share (on pre-Bonus 2019 share capital)	12540	11400	12540	11400
Previous year @ Rs. 10.00 (Rupees Ten per equity share) (on pre-Bonus 2019 share capital)				
Corporate Tax on Dividend	2578	2413	2578	2413
Transfer to General Reserve	0	0	0	0
Other Adjustment	0	0	-8298	-4807
Minority interest / Foreign Exchange Conversion Reserve etc.	0	0	0	0
Surplus carried forward to next year	82349	79750	105832	100836
Total of Appropriation	97467	93563	112653	109843

* 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.161216.14 Lakh during Financial Year 2019-2020 as against Rs.185375.33 Lakh in Financial Year 2018-19 registering a decrease of approximately 13% above last year.
- The Company recorded a Profit Before Tax of Rs.23244.21 Lakh in Financial Year 2019-20 as against Rs.28010.48 Lakh in Financial Year 2018-19. The decrease is primarily attributable to the impact of onset of COVID-19 pandemic in the last

quarter of the financial year on the performance of various SBUs, particularly SBU: Logistics.

Transfer to Reserves

The Reserve and Surplus of your Company decreased to Rs.114866.36 Lakh as on 31st March 2020 as compared to Rs.118620.19 Lakh as on 31st March 2019 on account of issue of Bonus shares by your Company in December, 2019. During the Financial Year 2019-20 no amount has been transferred to General Reserve.

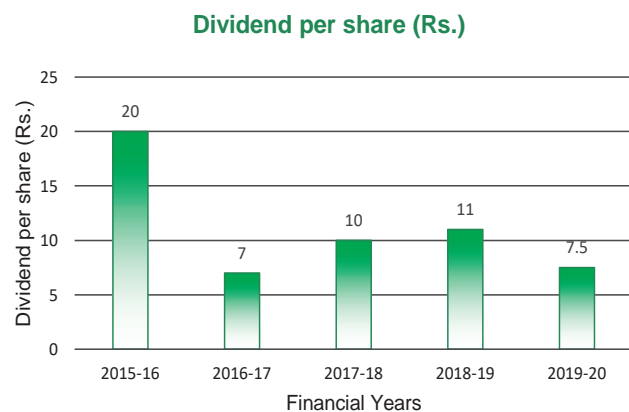
SHARE CAPITAL

The paid-up Equity share capital of the Company as on 31st March, 2020 stood at Rs.1,71,00,38,460 consisting of 171003846 Equity Shares of Rs.10/- each fully paid up. In December 2019, the Company issued 57001282 Equity shares of Rs.10 each fully paid-up as Bonus Share in the ratio - 1 equity share for every 2 equity shares held in the Company.

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

DIVIDEND

A dividend of Rs. 7.50/- (Rupees Seven and Paise Fifty only) per Equity Share, on the entire paid up Equity share capital of the Company has been recommended by the Board of Directors for Financial Year 2019-20, for declaration by the Members at the ensuing 103rd Annual General Meeting (AGM) to be held on 25th September, 2020. The dividend, if declared at the ensuing 103rd AGM, 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 18th September, 2020, (End of Day). In respect of shares held electronically, dividend will be paid to the beneficial owners, as on 18th September, 2020, (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 the applicable provisions of the Income Tax Act, 1961. The trend of dividend payment is depicted below:



Note: The dividends for the Financial Year(s) 2016-17 onwards is on the increased paid up capital upon issue of Bonus shares in the years 2016. Further, the dividend for the Financial Year 2019-20 as recommended by the Board of Directors is on the increased paid up capital upon the issue of Bonus Shares done in December, 2019. The dividend for Financial Year 2019-20 is yet to be declared by the members of the Company at the 103rd AGM.

DIVIDEND DISTRIBUTION POLICY

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

https://www.balmerlawrie.com/adminls/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

The spread of COVID-19, pandemic has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures.

Some of the services of the Company have been identified as Essential Services and have been permitted to be allowed during the lockdown phases. The Company is also running its manufacturing facilities and is providing goods and services to its Customers.

Barring the first few days of complete lockdown, operations of the Company were largely open and catering to customers. However, the offtake in terms of volumes was not very encouraging and was below par when compared with normal times. Service businesses suffered badly due to the stoppage of air travel and disruption in the supply chain systems.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and Investments as at the Balance Sheet date, and no major challenges are envisaged in these respects due to pandemic.

The Company is virtually debt free and has adequate liquidity to meet its business requirements. The security of the assets is ensured and all of these are operating seamlessly. All internal financial reporting systems are working without any disruption. As of now, after the initiation of release of lockdown, we have not faced any major disruptions on account of local supply chains. We do not have any long-term contracts/agreements where non-fulfilment of any obligations will have significant impact on the business of the Company.

The management believes that it has considered

all the possible impact of known events arising from COVID-19 global health pandemic in the preparation of financial statements. However, the impact assessment of COVID-19, pandemic is a continuous 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.

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 Subsidiaries 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 Rules thereon, Consolidated Financial Statements prepared by your Company includes a separate Statement in Form 'AOC-1' containing the salient features of the Financial Statement of your Company's Subsidiaries and Associates 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 Financial Year 2018-19, the Company had revised the policy for determining material subsidiaries in terms of the amended SEBI LODR w.e.f. 1st April 2019. The policy may be accessed on the Company's website at the link:

https://www.balmerlawrie.com/admin/ls/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 STATEMENTS OF SUBSIDIARY COMPANIES

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

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

BALMER LAWRIE (UK) LTD. [BLUK]

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

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

During the year 2018-19, Balmer Lawrie had initiated steps for closing of operations of BLUK and is in the process of getting necessary statutory clearances for closure shortly from the authorities in the United Kingdom. As a part of this process, the shares of PTBLI held by BLUK, had been transferred to Balmer Lawrie during the year 2018-19. It may be expected that the process of voluntary winding of BLUK would be completed during the Financial Year 2020-21.

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED [VPLPL]

As a part of our expansion plans, a company by name "Visakhapatnam Port Logistics Park Limited" (VPLPL) was formed as Joint Venture (JV) in July 2014 between Balmer Lawrie & Co. Ltd. and Visakhapatnam Port Trust (VPT) to build a Multimodal Logistics Hub (MMLH) facility comprising mechanised warehouses, specialised / temperature controlled storage solutions, facilities for mechanised material handling and inter modal transfer between container terminals, bulk/break – bulk cargo terminals. This hub provides facility to handle both bonded and 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 1.30 KM length, where 4 rakes can be handled in a day.

Balmer Lawrie & Co. Ltd.

The JV is having equity participation between your Company and VPT in the ratio of 60:40. Balmer Lawrie & Co. Ltd.'s contribution to equity is in the form of cash while VPT's contribution is in the form of "upfront lease rental for 30 years lease" of approx. 53 acres of land.

VPLPL has engaged a core and structured sales and operations team for business development and efficient execution. The response from the trade has been positive and we have been able to cater to the customer's requirement by virtue of offering storage facilities in ambient and temperature controlled warehouses. The unit is witnessing significant business opportunities to cater to the growing demand of steel exports from Visakhapatnam Port Trust for which rail siding facility has come up as a unique selling proposition for the trade.

VPLPL enjoys excellent camaraderie and cooperation from Visakhapatnam Port Trust, our JV partner, and we complement each other in attracting business for the unit.

VPLPL had made an application for grant of CFS license in May 2017 but the same is yet to be granted by Government. Your company as well VPT have made representations through respective parent ministries to the Government that this is not just a CFS but, a MMLH providing various services in one location, thus driving efficiencies in logistics and reducing costs for the trade. Some clarifications were sought by the Government and the same has been provided which is being reviewed.

During the course of its first full year of operations in Financial Year 2019-20, VPLPL was able to generate a revenue of Rs.4.71 Crores and reported a loss of Rs.16.04 Crores. It is optimistic of multi-fold revenue during the next Financial Year 2020-21, which will gain further impetus, if the CFS license is granted.

REPORT ON JOINT VENTURES

Balmer Lawrie (UAE) LLC [BLUAE]

Balmer Lawrie (UAE) LLC (the company) had another very satisfactory year of operations and could achieve highest ever production and sales volumes in most of the major product segments during the year 2019.

Increased focus on customer service, initiatives taken to garner greater market share and product innovation enabled BLUAE to strengthen customer relationships. The company achieved significant improvement in retention of skilled employees and employee morale, with positive impact on productivity and efficiencies. Simultaneously, cost reduction was achieved on many fronts through various technological upgradation initiatives. These endeavors enabled the company

to stay ahead of competition, which none the less remains intense.

As reported earlier, BLUAE has embarked on plant modernization and capacity enhancement initiatives across its different product lines. Such capacity enhancement projects are in full swing and are likely to be completed by the end of the current Financial Year. The progress of the projects has been adversely affected due to onset of COVID-19 pandemic/resultant lockdown in UAE/other parts of the world from where certain machineries are getting imported for such projects.

Overall performance during the year was extremely satisfactory and in spite of stiff competition in the market leading to tremendous pressure on the margins for the products sold by the company. BLUAE had been able to achieve excellent financial results during the year under review. However, in the light of the continuing geo-political/depressed business environment prevailing in the region where the company operates due to onset of COVID-19 pandemic, the company expects an extremely challenging task to maintain similar growth momentum during 2020 as had been achieved over the last few years.

BALMER LAWRIE-VAN LEER LTD. [BLVL]

In spite of the sluggish economy post September 2019, and the rampant outbreak of COVID-19 pandemic, Balmer Lawrie-Van Leer Ltd. (BLVL) announced a 2.7 % jump of Profit Before Tax (PBT). The PBT has increased to Rs. 38.41 Crores from Rs. 37.39 Crores. This is despite the fact, there is a drop of Gross Revenue from Rs. 500 Crores to Rs. 444 Crores due to sharp fall in raw material prices, which is the index of fixation of Selling Price. The Steel Drum closure unit of BLVL at Turbhe and at Bengaluru, have been able to maintain the last year PBT with similar production levels. The Plastic Division at Turbhe has shown a substantial jump in PBT compared to last year. Moreover, a strong increase in value addition was witnessed in all Plastic Drum divisions across BLVL.

The proposed Plastic Drum Factory at Dahej, is nearing completion and expected to be commissioned in the last quarter of the current Financial Year 2020-21.

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

For the Financial Year 2019-20, AVI-OIL has achieved sales volume of 826 KL of lubricants blended, 15 MT of greases reprocessed & packed and 311 MT of the ester base stocks manufactured.

During the Financial Year 2019-20, AVI-OIL achieved the net sales of Rs. 4697 Lakh as compared to the previous year net sales of Rs. 6318 Lakh.

The Profit before Tax (PBT) for the year 2019-20 is Rs.725 Lakh as compared to previous year PBT of Rs.1200 Lakh. The decrease is mainly due to lower sales, increase in employee cost and other expenses.

The Profit before Depreciation, Interest and Tax (PBDIT) for the Financial Year 2019-20 is Rs.1068 Lakh as compared to the last year PBDIT of Rs.1448 Lakh.

TRANSFAE SERVICES LTD. [TSL]

TSL is a joint venture of Balmer Lawrie & Co. Ltd. ('BL') and Balmer Lawrie - Van Leer Ltd. ('BLVL') with each holding 50% shares. TSL was facing rough weathers since 2009-10 and during the Financial Year 2012-13, its accumulated losses surpassed its net worth and consequently in 2013, a suo-moto application for revival was made before erstwhile, "Board for Industrial & Financial Reconstruction" ('BIFR') under the repealed Sick Industrial Companies (Special Provisions) Act, 1985 ('SICA'). Due to the emergence of a new law-"Insolvency and Bankruptcy Code, 2016 ('IBC')" the aforesaid pending application before BIFR became inactive, since December 2016. Thereafter, in the year 2018, one of the bankers of TSL, filed an insolvency application before the National Company Law Tribunal ('NCLT') under IBC. This insolvency application after few hearings before NCLT got admitted on 21st November 2019. Consequently, upon such admission, the powers of the Board of Directors of TSL got suspended and the affairs & running of TSL were entrusted to an Insolvency Resolution Professional (IRP) appointed by NCLT. On and from 21st November 2019, since the IRP has taken charge/control of TSL, the financial statement of TSL are not consolidated with BL in the consolidated Financial Statements.

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. The Company was formed in 2010. The business of the joint venture can be broadly categorized into:

- Processing Business
- Direct Sales
- Institutional Sales
- Export of lubricants to neighbouring countries

During Financial Year 2019-20 PTBLI achieved a turnover of Rs.2316.06 Lakh which was around 42.31% lower than the previous year primarily on account of lower processing business in 2019-20 as also adverse impact of onset of COVID-19 pandemic

in the last quarter. The total loss during the current Financial Year was Rs.320.81 Lakh against a profit of Rs.64.37 Lakh during previous Financial Year.

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

During the year 2018-19, Balmer Lawrie had initiated steps for closing of operations of BLUK and is in the process of getting necessary statutory clearances for closure shortly from the authorities in the United Kingdom. It may be expected that the process of voluntary winding of the company would be completed during the Financial Year 2020-21.

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, return on investment in JV's, capital expenditure, inventory management, capacity utilization and human resource management etc. Periodic review on achievement of MOU was carried throughout the year. Your Company's performance score in respect of the MOU for the year 2018-19 has been adjudged by the DPE in "Excellent" category.

MOU evaluation for the Financial Year 2019-20 is in process.

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 Financial Year 2019-20:

- 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 improve profitability by striving for competitive wage cost.
- Renewed 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 69 (Sixty-Nine) Executives and 40 (forty) Officers (Non-Unionized Supervisors)

Balmer Lawrie & Co. Ltd.

during the year to reinforce the Company's performance and bolster the Company's capabilities in all business areas.

(b) Learning and Development

In its continued efforts to harness human potential and unearth untapped skills, the Company aligns the learning & development practices and solutions in line with the organizational growth or productivity. We continued to invest in enhancing the professional skills and competencies of our employees. With the objective of enhancing the functional and leadership competencies, extensive training programs for employees in line with the business requirement of the Company, in the areas of General Management, Safety and Sustainable development and specialist skill development were planned and executed. The Company also invested in e-learning content this year. In all, 1285 Man-days of training were achieved including in-house and external programmes including workshops, conferences, seminars, virtual sessions and class-room training programmes for all categories of employees during the year.

(c) Managing Performance

With a view to improve upon performance orientation and bring about objectivity in assessment, the Company has already rolled out a Competency Linked Performance Appraisal System for its executives. With a view to ensure timely completion of Performance Management Appraisals, the process has already been e-enabled for executives upto grade E-8. Your Company has maintained 100% 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 Financial Year 2019-20.

(d) Employee Engagement and Welfare

An effective and employee centric work culture in the organization encourages participation, involvement of employees in activities beyond work and their alignment with the organisation. Towards furthering this, during the year, the 154th Foundation Day was celebrated in all units and establishments across the country. The employees and their family members participated in large numbers and made the event a memorable occasion. Also, various programs like Annual Sports Day, Cultural Evening etc. were organized by the Recreation Club at different major locations of the Company.

Welfare & representation of SCs, STs, OBCs and the status of implementation

As on 1st January, 2020, in the executive & officer cadre, 12 employees in the SC category, 25

employees in the OBC category and 5 employees in the ST category were recruited. The actual number of employees belonging to special categories, group-wise, as on 31st March, 2020 is given below: -

Group	Regular Manpower as on 31.03.2020	SC	ST	OBC	PH	Women	Minorities
A	494	50	6	86	5	60	29
B	235	37	6	58	4	26	18
C	64	3	0	17	1	10	2
D [including D1]	283	33	4	67	6	4	48
Total	1076	123	16	228	16	100	97

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 Act, the Company has implemented reservation rosters including 4% reservation for persons with benchmark disabilities. Further, to mitigate the shortfall, a special recruitment drive is planned during the year 2020 - 21.

Employee Relations

The 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, your Company has taken several steps to promote usage of Hindi in official work. 30 workshops were organized during the year in which 395 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, 2019. Hindi Kavi Sammelan was organized on 27th September, 2019. A Hindi essay writing competition was organized for PSU employees on 13th December, 2019 under the aegis of Town Official Language Implementation (PSUs), Kolkata.

We have also trained 32 employees in Hindi Prabodh, Praveen and Pragma courses. Issue of Balmer Lawrie Organizational Gazette (BLOG) for October, 2019 was released completely in Hindi. Similarly, Balmer Lawrie Online Monthly (BLOOM) Bulletin is also released bilingually. Implementation of the Official Language

Policy is top driven in your Company and the Company has used Hindi in all our activities of CSR, the Company's Foundation Day, Town Hall meetings, World Environment Day, Safety Week, Vigilance Awareness Week, International Womens' Day, Quami Ekta Week.

Your Company received award from Town Official Language Implementation Committee (TOLIC) (PSUs), Kolkata for the implementation of official Language in official work and active support extended to TOLIC in organizing activities for the propagation of Hindi for the year 2019-20. The award was presented by the Hon'ble Governor of West Bengal during the half yearly meeting held on 29th January, 2020.

Empowerment of Women

The Company provides a very conducive ambience for employment of women. The percentage of women employees is on the rise with new recruitments. The present strength of women employees is 8.98% despite the fact that a large chunk of our workforce constitutes shop floor workers. The Company has created an atmosphere conducive for women employees to join and build a career in this organization.

The Company also organized a self defense Workshop during its Women's Day Celebration for the Women Personnel in Eastern Region.

Welfare of the Weaker Sections

The Company's policy does not permit employment of any person below the age of 18 years, 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/ Persons with Benchmark Disability.

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

Sports Promotion

Your Company encourages participation in various inter-regional sports activities by its employees. Your Company is also a member of the Petroleum Sports Promotion Board (PSPB) and has been participating in the events conducted by the PSPB.

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

Internal Committee (IC)

Your Company has reconstituted 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 (as amended) ('the Act'). The following is furnished in terms of the Act: -

- a) Number of complaints filed during the Financial Year - Nil
- b) Number of complaints disposed of during the Financial Year - Nil
- c) 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, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR Policy

Vision

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

Mission

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

Objectives

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

Guiding Principles

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

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

Corporate Social Responsibility

India is the first country in the world to make Corporate Social Responsibility (CSR) mandatory, by an amendment to the Companies Act, 2013 in April 2014. CSR is a transformational practice by the business corporations in India. It is an initiative towards the collective community well-being. The primary objective of the mandate is to invest in the socio-economic, cultural and

environmental upliftment of the communities. The holistic empowerment of the disadvantaged communities require 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 the society at large. Consistently, the organization has undertaken various CSR initiatives since 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 Swach Bharat Abhiyan 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. Although, earlier it was not a legal compulsion that had to be walked through by any firm, but following it was considered as a good practice for considering social and environmental issues.

Balmer Lawrie's CSR initiatives are driven by two Flagship Programs – Balmer Lawrie Initiative for Self-Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. While the first Program is directed at providing and improving the long-term economic sustenance of the underprivileged, the second Program aims at improving the living standards and quality of life of 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 the CSR programs, and is constantly making progress for the betterment of the communities. Balmer Lawrie takes pride in furthering the initiatives which come under the purview of CSR by engaging with impactful specialized organizations, and in compliance with the DPE guidelines, the Companies Act, 2013 and Schedule VII of the Companies Act, 2013.

1. A total sum of Rs.514.36 Lakh was spent during the Financial Year 2019-20, towards CSR activities expenses.

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

https://www.balmerlawrie.com/admins/dl_u/CSR_and_Sustainability_Policy_201628.09.20161.pdf

2. The Composition of the CSR Committee as on 31st March 2020 was as under:
 - (a) Total No. of Directors in the Committee: Seven
 - (b) No. of Independent Directors in the Committee: Three
3. Average net profit of the Company for last three Financial Years – **Rs. 23,532 Lakh.**
4. Prescribed CSR Expenditure (two % of the amount as in item 3 above) – **Rs. 471 Lakh.**
5. Details of CSR spent during the Financial Year:
 - (a) Total amount to be spent for the Financial Year; **Rs.514.36 Lakh**
 - (b) Amount unspent, if any: NIL
 - (c) Manner in which the amount spent during the Financial Year 2019-20 is detailed below:

(Rs. in Lakh)

CSR EXPENDITURE INCURRED DURING FINANCIAL YEAR 2019-20							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local Area or Other 2) Specify the State and District where project or program was undertaken	Amount outlay (Budget) project or program wise	Amount Spent on the projects or programs Sub-Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing agency
1	Sponsoring of 02 classes of Indian Institute of Cerebral Palsy (IICP) for the children suffering from Cerebral Palsy	Education	1) Local area 2) West Bengal - Kolkata	20.00	20.00	20.00	Indian Institute of Cerebral Palsy (IICP)
2	Development work in aspirational districts on anganwadi	Education	1) Local area 2) Andhra Pradesh - Visakhapatnam,	20.00	20.00	20.00	Integrated Tribal Development Society
3	Ekal Vidyalayas, one teacher schools (OTS) for providing education to the doorsteps of the Tribal populace.	Education	1) Others 2) West Bengal - South 24 Parganas	10.00	10.00	10.00	Friends of Tribal Society
4	Maintenance cost for school toilets constructed under "Swachh Vidyalayas" during the year (2015-2016)	Swachh Bharat Abhiyan	1) Local area and others 2) West Bengal- Kolkata/ Andhra Pradesh- Chitoor/ Haryana/ Asaoti	17.74	17.74	17.74	Pragati Sangha of Dara / Balmer Lawrie

CSR EXPENDITURE INCURRED DURING FINANCIAL YEAR 2019-20							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local Area or Other 2) Specify the State and District where project or program was undertaken	Amount outlay (Budget) project or program wise	Amount Spent on the projects or programs Sub-Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing agency
5	Swachh Bharat Abhiyan	Swachh Bharat Abhiyan	1) Local area and others 2) West Bengal-Kolkata, Tamil Nadu-Chennai / Dadra & Nagar Haveli-Silvassa, Delhi and Mumbai	62.06	62.06	62.06	Pragati Sangha of Dara/ Rotary Club of Panvel/ Balmer Lawrie/ Swadeep Shikshan Vikas Sanstha/ Rotary Club of Chennai/ Sulabh International
6	Skill Development Institutes	Skill Development	1) Others 2) Odisha -Bhubaneswar Andhra Pradesh - Vishakhapatnam/ Uttar Pradesh - Rae Bareilly/ Assam - Guwahati/ Kerala- Kochi/ Gujarat - Ahmedabad	300.00	300.00	300.00	SDI- Bhubaneswar, Vishakapatnam, Rae Bareilly, Kochi, Ahmedabad and Guwahati
7	Mobile Health Van for Old Age	Health	1) Local area 2) Tamil Nadu-Chennai	10.00	10.00	10.00	Helpage India
8	Donation to Corpus Fund Narayana Hospital & Saroj Gupta Cancer Research Institute	Health	1) Local area 2) West Bengal-Kolkata	50.00	50.00	50.00	Narayana Health Charitable Trusts & Saroj Gupta Cancer Research Institute
9	Miscellaneous (Impact Study, Training, Etc)		West Bengal/Kolkata	11.20	11.20	11.20	Tiss/Balmer Lawrie
10	Allowable Overhead Expenses		West Bengal/Kolkata	13.36	13.36	13.36	Balmer Lawrie
Total CSR Expenditure				514.36	514.36	514.36	

6. In case the Company has failed to spend the two % of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.
– Not Applicable

7. Responsibility Statement of the CSR Committee

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

Adika Ratna Sekhar
Director (HR & CA)

Arun Kumar
Independent Director
Chairperson of CSR Committee

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report of the Company as per SEBI LODR for the year ended 31st March, 2020 is attached as 'Annexure-2'.

OCCUPATIONAL HEALTH & SAFETY**Employee Health & Safety**

Your Company accords high priority to Employee Health & Safety. In pursuance of this, your Company has established an integrated Health & Safety Management System across the organization. Your Company has published an HSE Manual which is being used as a reference book in plants and other establishments of your Company. Your Company carries out HSE audits for all its Manufacturing Units, Container Freight Stations (CFS) and Temperature Controlled Warehouses (TCW) as per the approved HSE audit protocol. Your Company has also introduced an HSE MIS system for all Manufacturing, CFS & TCW units. Every plant / CFS / TCW 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. Your Company has taken adequate protection for its employees to combat with COVID-19 pandemic in line with the directives issued by MHA from time to time. Major initiatives/ activities undertaken in this domain in Financial Year 2019 - 20 are as follows:

- HSE Audits were carried out in manufacturing units/establishment of your Company during the year and recommendations thereof implemented.
- Your Company achieved Zero LTI (Lost Time Injury) in the Financial Year 2019-20.
- HSE awareness training was conducted for permanent employees and contract workers.
- The 49th National Safety Week was observed from 4th to 10th March 2020 in all units/establishments across locations. The week commenced on 4th March, 2020 which was observed as National Safety Day, with the administering of the safety pledge and reading out of C&MD's message. In line with the theme, various programs were organized over the week. The programs included extempore, quiz, skit, spot the hazard contest, mock drills, safety slogan & essay writing competitions.

Environmental Protection and Sustainability:

Being fully committed towards the protection and conservation of the environment, your Company has taken various initiatives to minimize the pollution load of operations. Treatment & disposal of effluents

conform to the statutory requirements. Air emissions norms also strictly adhere to the norms laid down in the Environment Protection Act, 1986. Disposal of hazardous waste is done strictly as per Hazardous Waste and Other Waste Rules, 2016. All Plants and major establishments of the Company are certified to environment standards ISO 14001. The Company has in place a comprehensive Long-Term Integrated Sustainability Plan which lays down the sustainability policy, program framework, governance structure, communication etc.

Some of the other initiatives/activities taken up by your Company in this domain in the Financial Year 2019-20 include:

Industrial Packaging

- **IP- Silvassa:**

- installed RO System to process and reuse of ETP treated water in drum manufacturing process. This reduces the water consumption of the plant significantly.
- productivity improvement and significant improvement in operational efficiency reduced electricity consumption by 3%. This reduces the carbon footprint of the plant.
- installed new Fume Extraction System which improves the plant air quality significantly.
- Asbestos roof sheets were replaced with pre-coated galvanized iron roof sheets thereby improving the work environment and reduce health risk hazard.
- installed Inverter based 3 phase welding m/c replacing old 2 phase welding m/c. Power consumption reduces from 250A to 80A.

- **IP- Manali:**

- used water-based grease in it's processes thus reducing generation of hazardous waste in their plant.
- collects and reuse Paint Sludge thus reducing the generation of hazardous waste.

- **IP- Taloja:**

- constructed separate area for storage of hazardous waste in their plant.
- installed 120A capacity Active Harmonics Filters at Auto welder to mitigate the harmonics. This reduces electrical energy consumption and carbon footprint of the plant.

- **IP- Kolkata**

- the unit replaced HSD by LPG as fuel for it's baking oven which reduces the energy consumption of the plant significantly.

Balmer Lawrie & Co. Ltd.

- **IP-Chittoor**
 - installed Insulated-Gate Bipolar Transistor (IGBT) type welding machine controller reducing power consumption of welding machine by 40 %.

Greases and Lubricants (G&L)

- **G&L Manali, G&L-Silvassa, G&L- Kolkata:**
 - installed Occupancy Sensors to automatically control consumption of electricity by the office lightings.
 - planted number of trees in current Financial Year. This creation of greenery area aims to reduce carbon foot print.
- **G&L- Kolkata**
 - Asbestos roof sheets were replaced with pre-coated galvanized iron roof sheets thereby improving the work environment and reduce health risk hazard.
- **G&L-Silvassa**
 - Replaced 12 nos 800W lamps at High Mast Lighting tower by 350W LED light. Carbon emission reduced by 19T. Power consumption reduced by 23650 units (approx.)
- **G&L-Manali:**
 - started usage of thermal label printer replacing screen printing of drums thereby reducing the usages of solvent inside the plant.
 - dust collector at Lithium Hydroxide Dosing area at Kettle has reduced emission of LIOH dust particles in the plant. This improves air quality of the plant significantly.

Others

- Saplings were planted at all units on the occasion of World Environment Day 2019. Online quiz and essay competition on Environment carried out for all employees to create awareness.
- CFS Navi Mumbai, IP-Taloja, IP-Kolkata, IP-Chittoor, IP-Vadodara, TCW-Hyderabad, TCW-Patalganga and other BL establishments across India planted number of trees in current Financial Year. This creation of greenery area aims to reduce carbon foot print.
- The Company has till date installed solar plants with a total capacity of 526 kWp in five different sites at Asaoti, Navi Mumbai, Chennai, Patalganga and Rai. Out of this, 33 kWp solar power plant has been commissioned in the current Financial Year at TCW-Patalganga. This helps us to offset 800 tons of carbon dioxide per year from the manufacturing / cold chain operations.

- Different Plants of Balmer Lawrie installed LED lights replacing conventional lights reducing electrical consumption.
- Many Plants of Balmer Lawrie installed atomizer tap controller thus reducing water consumption of the plants significantly.
- At all Balmer Lawrie Plants and Establishments, single use plastic is banned.
- The Company has continued its efforts at technological up-gradations in its manufacturing processes to ensure that adverse impact of the operations in the environment are minimized.
- The Research & Development 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 the workforce on the latest development in the lubricant industry.

COMMUNICATIONS & BRANDING INITIATIVES

The various internal communications and branding initiatives driven during the Financial Year 2019-20 to create employee bonding and enhance the process of information sharing in Balmer Lawrie (BL), are as follows:

- Regular publication of the Daily Media Update (a news report for the Ministry and Top Management team, covering news on BL, news from the Oil & Gas sector and initiatives of the Government).
- Regular publication of the Weekly Media Update (a news report for employees covering news on BL, news related to GOI and PSEs, and news from the verticals that we do business in); BL Online Monthly Bulletin (monthly newsletter), BL Organizational Gazette (the quarterly house magazine). These publications are available on the Company's intranet and website. BL Online Monthly Bulletin is also being published in Hindi from 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:

- Balmer Lawrie won awards in two categories during the SCOPE Corporate Communications Excellence Awards-2019 - The 'Collect Stories' campaign by brand Vacations Exotica (VE) under

the category 'Effective use of Digital Media' and 'The Making of Next'- the History Book penned down during the completion of 150 years of the organization under the 'Special Brand Building Publication' category.

- Special BL Corporate Calendar (both wall and table-top) designed in-house to showcase the diverse businesses of Balmer Lawrie.
- PR and Communication for inauguration of new barrel manufacturing plant at Vadodara in June 2019, AGM in September 2019 etc.
- Branding for FlyLikeKing.com and support for the launch of the portal in July 2019.
- Media Coverage: Corporate Reports in business magazines/papers and coverage of CSR initiatives etc.
- Branding of the Company at Kolkata Airport.
- Branding in 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 Ministry of Petroleum and Natural Gas are posted on the BL Facebook and Twitter pages.
- Branding of Swachh Bharat Abhiyan and other similar initiatives.
- Social Media campaign on 'Say No to Single Use Plastic' - #AbNahiTohKab on BL Facebook and Twitter from October to December 2019.

Further, Corporate Communications is driving the process of empanelment of Agencies in the areas of Creative and Advertising / Digital Marketing / PR etc. and comprehensive branding plans for the year 2020-21 are in the process of implementation in SBUs: Greases & Lubricants and Travel & Vacations by their respective marketing teams.

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' uploaded on the website of the Company (www.balmerlawrie.com).

Your Company's C&MD in his 'Message of Continued Support to Global Compact' said that the Coronavirus (COVID-19) global pandemic has not only disrupted the economy but has also taken away the lives of thousands of people around the world. Dealing with

COVID-19 pandemic has become a tough test for all of us. The pandemic will pose many more challenges in the months to come. There will be a great sense of unease everywhere for a greater period of time. He stated that we will have a 'disrupted' economy for the next six months to one year or may be even more. The slowdown is going to be across sectors and the visible impact will be strong on the financials. We have to be prepared for difficult times ahead and have to work very hard towards reconstruction of the economy. He mentioned that as a Company we are resilient and are putting in that extra effort and going that extra mile to ensure safety of the employees and business continuity. Your Company has contributed Rs 1,28,25,899/- to the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund to help fight the COVID-19 pandemic in the country. Balmer Lawrie allocated Rs. One Crore from its Corporate Social Responsibility (CSR) Fund and the rest of the amount was voluntary contribution of one day's salary by the employees of the Company.

The Communication of Progress Report for the Financial Year 2019-20 captures your Company's endeavors and accomplishments in furthering its sustainability objectives. Balmer Lawrie furthered the various initiatives in line with the Swachh Bharat Abhiyan and Skill India Mission. The Swachh Bharat activities were particularly focused on banning single use plastic. As a member company of the Ministry of Petroleum and Natural Gas (MoPNG), Government of India, your Company contributed Rs. 300 Lakh for the Skill Development Institutes (SDIs) at Ahmedabad, Rae Bareilly, Guwahati, Visakhapatnam, Kochi and Bhubaneswar. Your Company will continue to focus on the triple bottom line, while proactively working towards restoration of the economy and thereby ensuring sustenance and growth of the businesses and the organisation. The CoP also captures the various initiatives undertaken to promote greater environmental responsibility besides others.

DISCLOSURE ON IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

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

Balmer Lawrie has designated Senior Manager (Legal) as Central Public Information Officer and Company Secretary as First Appellate Authority under the RTI Act, 2005. Detailed information as per the requirement of RTI Act, 2005 has been hosted on your Company's Web Portal at <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 detail of which for the Financial Year 2019-20 is shown in the table below: -

	Opening Balance as on 01.04.2019	Received during the Year (including cases transferred to other Public Authority)	No. of cases transferred to other Public Authorities	Decisions where requests/ appeals rejected	Decisions where requests/ appeals accepted	Closing balance as on 31.03.2020
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Requests	15	74	0	0	62	27
First Appeals	1	11	0	10	2	0

(A) CONSERVATION OF ENERGY –

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

Your Company 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 has adopted installation of LED lights at High Masts thus saving 23650 units of electricity per year. Occupancy sensors and automatic lighting control has been installed at many of its units. Change in pouch filling & sealing machine technology has resulted in saving of 5400 units of electricity per year.

SBU: IP has achieved significant power savings by energy conservation initiatives such as installation of Insulated-Gate Bipolar Transistor controlled welding machines, installation of three phase welding machines, active harmonic filters at auto welder, synchronization of conveyors for reduction of idle running time in various plants. IP units changed many conventional lamps with LED lamps at its different units thus conserves electrical energy.

SBU: LC has taken various energy efficiency measures based on Energy Audit, which is conducted on a periodical basis to ascertain the energy efficiency of its various equipment and to reduce adverse use of energy and or its wastages. SBU: LC has installed energy efficiency motors for its processes, Variable Frequency Drive (VFD) for higher rating motors. At its plants and offices, conventional light fittings has been replaced with LED light fittings to conserve electrical energy.

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

In the current Financial Year Temperature Controlled

Warehouse at Patalganga commissioned Solar Plant of 33 kWp capacity for in-house consumption taking the total installed capacity to 526 kWp. Leather Chemicals unit at Manali, Chennai has Solar Power Plant of 200 kWp capacity, generating on an average 500 units per day.

Cumulative generation of Solar Energy at your Company in the current Financial Year is 4,69,522 units. This helped your Company to offset approximately 800 tons of carbon dioxide in current Financial Year from the manufacturing/cold chain operations.

(iii) The capital investment on energy conservation equipment:

Your Company has focused on investing in modern technology for improving the specific energy consumption. This investment is broadly done in the areas of LED lighting, occupancy sensors and automatic lighting control, energy efficiency pump motor, three phase welding machines, active harmonic filters, IGBT type welding machines, star rated Inverter Air Conditioners, sensors & automatic controls for coolers and high mast, automatic power factor control panel and other equipment 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

development of High-Performance Fire-Resistant Greases for Steel Industry, Fire Resistant Synthetic based Hydraulic Oil for Metal Industry (Steel & Aluminum), High Performance Grease for Traction Motor Bearing in Electric Locos of Indian Railways, Import Substitute Specialty Greases for Defence Equipment and Aircraft applications.

Product Development center of SBU: LC has focused and directed its efforts on developing “Finishing Chemical Ranges” to increase its product basket. Protein binder and wax emulsion has been successfully developed. Other varieties namely lacquers, acrylic binders will be launched shortly.

SBU: IP has taken various initiatives aimed at recycling and re-use of process wastes thereby reducing the load on the environment. From Solvent extraction unit, improvement in paint technology, telescopic loading, nesting & denesting of conical drums to automatic control and management of finished goods yard conveyor, these are some of the many focus improvement projects being undertaken by the SBU through its robust operational excellence framework.

(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 has helped the Greases & Lubricants business in developing tailor made products, meeting the specific requirements of the OEMs. Leather Chemicals business has been able to bring down the free formaldehyde content of its syntans below the detectable limit by suitable synthesis. Industrial Packaging business, through its operational excellence initiatives has been able to improve yield, reduce cost and increase the throughput.

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

- a. The details of technology imported: NA
- b. The year of import: NA
- c. Whether the technology been fully absorbed: NA

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

(iv) The expenditure incurred on Research and Development

(Rs. in Lakh)

	2019-20	2018-19
a) Capital Expenditure	31.50	322.38
b) Revenue	777.76	780.93
Total	809.26	1103.31

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO –

(Rs. in Lakh)

	2019-20	2018-19
i) Total Foreign Exchange Earnings	6740.61	7512.65
ii) Total Foreign Exchange Outgo	10571.50	13895.13

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

(Rs. in Lakh)

Details	2019-20	2018-19
Value of material available for procurement from MSEs	19230	9547
Actual procurement	7160	6037

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT- 9 is attached hereto as “Annexure-3”.

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

DIRECTORS’ RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts for the Financial Year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the

Financial Year as on 31st March, 2020 and of the Profit and Loss of your Company for that period.

- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors had prepared the annual accounts for the Financial Year ended 31st March, 2020 on a going concern basis.
- (e) The Directors had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were generally operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Detailed particulars of Loans and Investments under Section 186 of the Companies Act 2013 are given in Note No. 7 & 15 and 6 respectively of the Standalone Financial Statement.

RELATED PARTY TRANSACTIONS (RPT)

Majority of the Related Party Transactions of the Company were made with its Holding Company, Subsidiary companies, Associate companies and Joint Venture companies. It may be pertinent to mention that Related Party Transactions made with

Holding Company and Wholly Owned Subsidiary company and transactions between two Government companies are exempted under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, omnibus approval was taken for entering into Related Party Transactions for value upto Rs. One Crore whereas in other cases approval of Audit Committee was taken. Further, there were no materially significant RPT during the year under review made by the Company with Directors, Key Managerial Personnel or other designated persons which have a potential conflict with the interest of the Company at large.

The Company has revised its RPT Policy in terms of the amended SEBI LODR. The policy as amended may be accessed on the Company's website at the link:

https://www.balmerlawrie.com/admins/dl_u/Related_Party_Transaction_Policy_dated_04-02-2020.pdf

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

The details of the Related Party Transactions entered into by your Company during the Financial Year 2019-20 has been enumerated in Note no. 42.18 of the Standalone Financial Statement.

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

FORM AOC 2					
(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014					
Form for disclosure of particulars of contracts/ arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto					
1	Details of contracts or arrangements or transactions not at arm's length basis				
	NIL				
2	Details of material contracts or arrangements or transactions at arm's length basis				
	Nature of contracts or arrangements	Name of Related Party	Nature of relationship	Duration of Contract	Value (Rs. in Lakh)
NIL as per the Company's policy on material Related Party Transaction					

ENTERPRISE RISK MANAGEMENT POLICY

The Company has an approved Risk Management 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. The Risks are evaluated, quantified, prioritized and mitigation plans are reviewed at regular interval by the Chief Risk Officer with the various Risk Owners and are reported to the Risk Management Committee and the Audit Committee.

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

https://www.balmerlawrie.com/admin/ls/dl_u/ERM_Policy01_08_17.pdf

DEPOSITS

Your Company has not accepted any deposit from the public during the Financial Year 2019-20 and therefore no disclosure is required in relation to details relating to deposits covered under Chapter V of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS WHICH IMPACT THE GOING CONCERN STATUS AND THE 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, of safeguarding 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 operation 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 Financial Year 2019-20, Internal Financial Control was reviewed by an external consultant Hari Bhakti & Co, LLP which reported as follows:

- a. The Internal Control over Financial Statement is generally adequate, with areas of observation/improvements as listed in the report.
- b. The observations have been discussed with the process owner and also reported and reviewed by the management.

As required under the Companies Act, 2013,

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

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

VIGILANCE

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

Your Company always promotes integrity and eliminates corruption. To lead the business scenario in a transparent manner, your Company accepts the principles of good governance which is one of the major aspects. Vigilance Department endeavors to ensure that the management obtains maximum out of its various transactions with the stakeholders. The Company always welcomes the stakeholders to combat any corruption which may come across. Therefore, Vigilance Department never accepts any wrong doings and also do not indulge in any malpractices.

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

As per the directives of Central Vigilance Commission, this year also Vigilance Awareness Week (VAW) was observed by the Company by taking pledge through pan India, having seminars at different locations, where eminent speakers were present and gave their valuable lectures by sharing their practical experiences with meaningful suggestions for the betterment of the organization.

Quiz/slogan/essay writings/debate competitions were also held across pan India in various establishments, schools and colleges which had TV coverages on different channels. Posters and banners were displayed in various places for bringing awareness. This year the pledge was also administered in local languages everywhere, apart from bilingual languages i.e. Hindi and English. The main motive was to bring in togetherness and spread the message of being vigilant all over, not only within the Company, but all over the country.

This year during VAW, we have also organized Awareness Walk and Human Chain. It was a good experience for us. There was a lot of awareness generated when participants walked with banners and placards with messages related to the problems of bribe, corruption, theft and the importance of vigilance and transparency. Last but not the least, Vendors Meet was held and integrity pledges were also taken by the Vendors, as well as the integrity pledge was also taken by the students of schools/colleges in their premises and by the employees

families through on-line system.

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

Details of Vigilance Cases

In terms of Office Memorandum dated 24th January, 2018 having reference no.F.No.28(1)/2016-Leg.I issued by Under Secretary to Government of India, details of vigilance cases disposed off during the year ended 31st March, 2020 and vigilance cases pending as on 31st March, 2020 is mentioned herein below.

a. Vigilance Cases disposed off during the year ended 31st March, 2020

Sl. No.	Nature of Case	Case Date	Date of Disposal	Remarks
1	Assessment of Bill of Entry for Disposal of unclaimed/uncleared Goods at Eastern Region	30.08.2018	30.04.2019	No Vigilance angle was found. CVO has advised to close the file.
2	The promotion which are taking place in BL at senior level being not fair	21.01.2019	17.10.2019	There is no Vigilance angle. Hence File is closed.
3	Anomalies in C&F Godown in Northern Region	07.06.2019	15.11.2019	Minor Penalty has been imposed by the management as advised by CVO. Action Taken. File has been closed.
4	Complaint against Shri. M.C. Bylappa	11.05.2019	13.06.2019	Since Balmer Lawrie was not involved with Shri. M.C. Bylappa's ticket, file has been closed as advised by CVO.
5	Grievances from Ex-IAS Officer Shri. S. Adhikari	21.10.2019	21.11.2019	Complaint was closed as the same is not under the purview of Balmer Lawrie.
6	Complaint against Senior Official of A&F Department of BL	19.01.2020	04.03.2020	No Vigilance angle was found. CVO has advised to close the file.

b. Vigilance Cases pending as on 31st March, 2020

Sl. No.	Nature of Case	Case Date	Remarks
1	Financial Irregularity at Travel Kolkata	17.03.2016	Case is pending with CBI
2	Examination of Audit Para	04.04.2018	Letter has been sent to Ministry
3	Complaint against renewal of Contract to one transporter at Southern Region	08.07.2019	Investigation is going on.
4.	Unfair trade practices followed by BL at Western Region	12.12.2019	Investigation is going on.
5.	Fraudulent Air ticket Booking by BL	17.12.2019	Investigation is going on.
6.	Allegation against Senior Official of HR Department of BL	17.12.2019	Investigation is going on.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

- Managerial
- Executive
- Supervisory
- Unionized Employees
- Any other Employees (such as Outsourced, 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 to the 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 2019 - 20 and can be downloaded from the following hyperlink of the Company's website:

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 & Exchange Board of India (SEBI) as well as of Department of Public Enterprises (DPE) to the extent within its control.

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

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

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

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

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

BOARD EVALUATION AND CRITERIA FOR EVALUATION

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

The Annual Performance Appraisal of Top Management Incumbents of 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as on 31st March 2020 consisted of Twelve Directors out of which four were Functional/Executive/Whole-time Directors, two were Non-executive Government Nominee Directors and six were Independent Directors.

Based on the direction received from MoPNG vide letter bearing reference number CA-31024/1/2018-PNG(23808) dated 20th December, 2019 Shri Adhip Nath Palchaudhuri had been appointed as an Additional Director with the designation of Director (Service Businesses) by the Board w.e.f. 1st March, 2020 and letter bearing reference number CA-31024/2/2018-PNG(25059) dated 20th January, 2020 Shri Sandip Das had been appointed as an Additional Director in the designation of Director (Finance) by the Board w.e.f. 1st May 2020. Considering the above appointments and cessation, as on the date of this report, the Board consisted of twelve Directors out of which:

- Four (4) are Functional/Executive/Whole-time Directors;
- Two (2) are Non-executive Government Nominee Directors; and
- Six (6) are Independent Directors.

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

NUMBER OF MEETINGS OF THE BOARD

The Board met eight (8) times during the Financial Year 2019-20, the details of same are given in

Balmer Lawrie & Co. Ltd.

the Corporate Governance Report attached as “Annexure-4”. The intervening gap between any two Board meetings was within the period prescribed under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

APPOINTMENTS

During the year following Directors were appointed by the Shareholders at the 102nd AGM:

1. Shri Arun Tandon, Independent Director
2. Shri Arun Kumar, Independent Director
3. Shri Anil Kumar Upadhyay, Independent Director
4. Shri Bhagawan Das Shivahare, Independent Director

In the ensuing AGM, it is proposed to consider reappointment of Shri Adika Ratna Sekhar (DIN 08053637), who retires by rotation and being eligible offers himself for reappointment.

It is proposed to appoint Shri Adhip Nath Palchaudhuri (DIN 08695322) and Shri Sandip Das (DIN 08217697) as Executive Directors, of the Company at the ensuing AGM, in furtherance of the nominations received from the Administrative Ministry and their candidatures proposed by the shareholder of the Company. The details of the directors seeking appointment and reappointment are given in the explanatory statement attached to the notice of the 103rd AGM.

CESSATIONS – ON ACCOUNT OF WITHDRAWAL OF NOMINATION OR RETIREMENT

- Shri D. Sothi Selvam, Director (Manufacturing Businesses) had ceased to be Director on the Board of the Company w.e.f 16th December, 2019 on account of repatriation to his parent organization.
- Smt. Atrayee Booroah Thekedath, Independent Director had ceased to be the Director on the Board of the Company w.e.f 31st January, 2020 on account of completion of her tenure.
- Shri Kalyan Swaminathan, Director (Service Businesses) had ceased to be the Director on the Board of your Company w.e.f. 1st March, 2020 on account of superannuation.

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 Financial Year 2019 – 20.

The Audit Committee, as on 31st March, 2020, consisted of five (5) members out of which one is Whole-time Director and four Independent Directors

Shri Sunil Sachdeva, Independent Director is the Chairperson of the Committee. The composition of the Audit Committee as on 31st March, 2020 was as follows:

- i. Shri. Sunil Sachdeva, Independent Director-Chairperson
- ii. Shri Vikash Preetam, Independent Director-Member
- iii. Shri Arun Tandon, Independent Director-Member
- iv. Shri Bhagawan Das Shivahare, Independent Director-Member
- v. Shri Shyam Sundar Khuntia, erstwhile Director (Finance)- 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.

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) has appointed M/S. B K Shroff & Co; (Chartered Accountant) 23-A, Netaji Subhas Road, Room No. – 15, 3rd Floor, Kolkata – 700001, West Bengal as Statutory Auditors of the Company for the Financial Year 2019-20 for both Standalone as well as the Consolidated Financial Statements of the Company.

Pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the remuneration of the Auditors for the year 2019-20 is to be determined by the members at the ensuing Annual General Meeting as envisaged in the said Act. Members are requested to authorize the Board to decide on their remuneration as per applicable statutory provisions.

REPORT OF THE STATUTORY AUDITORS

Report of the Statutory Auditors is annexed with the Financial Statements. The Statutory Auditors of the

Company have not reported any fraud as specified under the second proviso to section 143(12) of the Act.

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The office of the Comptroller & Auditor General of India ('CAG') had conducted a supplementary audit of the Financial Statements (both Standalone and Consolidated) of the Company for the year ended 31st March 2020.

The CAG has commented on the Standalone Financial Statements of the Company that on the basis of supplementary audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

The CAG has also commented on the Consolidated Financial Statements of the Company that on the basis of supplementary audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report. Further, 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 31st March, 2019 were filed on 6th September, 2019 with Cost Audit Cell of Ministry of Corporate Affairs within specified due dates.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors 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. The remuneration proposed to be paid to the Cost Auditor requires ratification of the members of your Company. In view of this, ratification for payment of remuneration to the Cost Auditor for the Financial Year 2020-21 and 2021-22 is being sought at 103rd Annual General Meeting.

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 M/s. D. Dutt & Co, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2019-20. The Secretarial Audit Report in Form MR-3 for the Financial Year ended 31st March, 2020 is annexed herewith and marked as "Annexure-6".

SECRETARIAL AUDITORS' REPORT

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

Sl. No.	Observation/ Comment/ qualification of the Secretarial Auditor	Clarification from the Management
1	The Company having an Executive Chairperson, at least half of the Board of Directors did not comprise of Independent Directors for the period from 01.04.2019 to 17.07.2019 contrary to the requirements of Regulation 17(1) of the Listing Regulations. Requisite number of Independent Directors were appointed on 18th July, 2019 by the Administrative Ministry.	The Company is a Government Company as it is evident from the shareholding pattern. As per the Articles of Association of the Company so long as the Company remains a Government Company, the President of India shall be entitled to appoint one or more person(s) to hold office as Director(s) on the Board. Accordingly, Ministry of Petroleum & Natural Gas, being the Administrative Ministry directs us regarding change or appointment of Directors.

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.

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
Balmer Lawrie & Co. Ltd.

Prabal Basu
Chairman & Managing Director

Adika Ratna Sekhar
Director (Human Resource & Corporate Affairs)

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

Date: 19th August, 2020
Place: Kolkata

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of the Board's Report for 2019-20)

Pursuant to the provisions of the Companies Act, 2013, 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 Financial Year 2019-20 and the future outlook of the Company.

The year 2019 was a difficult year for the global economy. After slowing sharply in the last three quarters of 2018, the pace of global economic activity remained weak in 2019. Momentum in manufacturing activity also weakened substantially to levels not seen since the global financial crisis. Rising trade and geopolitical tensions increased uncertainty about the future of the global trading system and international cooperation, taking a toll on business confidence, investment decisions and global trade.

The coronavirus pandemic (COVID-19) poses unprecedented health, economic, and financial stability challenges. Following the COVID-19 outbreak, the prices of risk assets collapsed and market volatility spiked, while expectations of widespread defaults led to a surge in borrowing costs.

The Global growth projections of the IMF as per The World Economic Outlook (WEO) for 2019, 2020 and 2021 continued to contract. As per the latest update of IMF, the Global growth is projected at -4.9% in 2020. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecasted.

However, it is pertinent to note that the performance of the Indian Economy in terms of the Real Gross Domestic Product (GDP) growth is better than the advanced economies.

Amidst a weak environment for global manufacturing, trade and demand, the Indian economy slowed down with GDP growth moderating to 4.8% in the first half of 2019-20, lower than 6.2% in second half of 2018-19.

The deceleration in GDP growth can be understood within the framework of a slowing cycle of growth with the financial sector acting as a drag on the real sector. In an attempt to boost demand, 2019-20 has

witnessed significant easing of monetary policy with the repo rate having been cut by RBI by 110 basis points. However, as in other major economies, India's GDP growth also correlates with the growth of global output.

The inflation rate in India was soaring at 4.5% during 2019 and the same has subsided to 3.3% during 2020.

According to estimates, the Indian logistics sector is expected to grow at 8-10% over the medium term. The logistics industry of India is currently estimated to be around US\$ 160 billion and is expected to touch US\$ 215 billion by 2020.

Up-gradation of port infrastructure, installation of new scanners at ports, development of robust risk-based measures and introduction of new Port Community System at all major ports have led to improvement in average dwell time at sea ports. New initiatives like 'Turant'4 customs will make customs clearance faster and faceless.

Further imports and exports dropped significantly during the first half, especially the second quarter of 2019-2020.

During April-December 2019, world crude oil prices declined owing to weak global demand. As oil has a major share in the country's import basket, it considerably impacts domestic prices of petroleum products. The mineral oils group in Wholesale Price Index saw an inflation of 5.8% in April 2019, thereafter saw continuous decline to end at (-)3.2% in December 2019.

Exports of key labour-intensive sectors, like leather products and textile products under-performed during the current Financial Year. To incentivize exports, the export duty on EI leather has been abolished and it has been reduced on hides, skins and leathers (tanned and untanned, all sorts).

The growth in tourism sector decelerated in 2019-20 with weaker growth in foreign tourist arrivals and consequently dip in foreign exchange earnings from tourism. The foreign tourist arrivals growth (YoY) has decelerated since then to 5.2% in 2018 and 2.7% in January-October 2019. This trend, however, is not unique to India, as the growth (YoY) in international tourist arrivals globally also slowed from 7.1% in 2017 to 5.4% in 2018. Notably multiple reliefs from GST taxation have been provided to various categories of services including tourism and hospitality services.

In the COVID-19 aftermath, countries will need to realise a new reality of the tourism and travel industry and make all efforts to shape the sector accordingly. Tourism businesses will require a re-thinking of how they will operate in terms of hygiene, health and safety measures in order to ensure safety of their clients and staff. The Ministry of Tourism has proposed to recommend Protocols covering all service providers and their related activities in tourism and hospitality sectors, to ensure a safe and prepared approach for a post COVID-19 revival. The guidelines have been prepared with primary focus on identifying and mitigating risks for the service provider and for ensuring necessary safety and hygiene practices in interaction with travellers. Minimizing all possible touch points by use of digital technology has been one of the guiding principles for the guidelines. This would not only help in reducing the risk but also make traceability of the guest easier in case a situation in future warrants so.

According to the Ministry of Statistics, in the fourth quarter of Financial Year 2019-20, India's growth dropped by 3.1% due to widespread presence of COVID-19. The coronavirus pandemic has had a negative impact on the economy of the nation. India has faced the COVID-19 situation with fortitude and a spirit of self-reliance. India has demonstrated how it rises up to challenges and uncovers opportunities therein.

The highlights of vision of the Hon'ble PM to combat the challenges in these difficult times are as under:

- Call for आत्मनिर्भर भारत अभियान or Self-Reliant India Movement
- Focus on five pillars of Aatmanirbhar Bharat – Economy, Infrastructure, System, Vibrant Demography and Demand
- Special economic and comprehensive package of Rs. 20 lakh crores - equivalent to 10% of India's GDP
- Package to cater to various sections including cottage industry, MSMEs, labourers, middle class, industries among others
- Bold reforms across sectors will drive the country's push towards self-reliance
- Vocal for our local products and make them global

The Government has introduced various packages covering all segments of the economy and citizens which include:

Pradhan Mantri Garib Kalyan package, relaxation in Statutory and Compliance matters, targeted long term Repo Operations, moratorium of three months on payment of instalments, collateral-free automatic

loans for businesses including MSMEs, EPF support for businesses & workers for 3 more months, special Liquidity Scheme for Non-Banking Financial companies / Housing Finance companies / Micro Finance institutions, Liquidity Injection for Power Distribution companies, and TDS / TCS rate reduction.

Direct support to farmers and rural economy provided post COVID-19, Agri infrastructure fund for farm-gate infrastructure for farmers, upgradation of industrial infrastructure, policy reforms in Coal sector, enhancing self-reliance in Defence production, efficient Airspace Management for Civil Aviation, more world-class Airports through PPP, Tariff Policy reform, privatization of distribution in UTs, boosting private sector investment in Social Infrastructure through revamped Viability Gap Funding Scheme, boosting private participation in Space activities, and Atomic Energy related reforms.

Reforming Governance for Ease of Doing business, Technology driven systems - Online Education during COVID-19, Health reforms & initiatives, Technology driven Education with Equity post COVID-19, to further enhancement of Ease of Doing business through IBC related measures, Decriminalisation of the Companies Act defaults, Public Sector Enterprise Policy for a New Self-reliant India, and supporting State Governments.

With the above bird's eye view of the macro economic factors, we can now discuss the performance of our Company's Strategic Business Units in detail:

1. INDUSTRIAL PACKAGING

Industry structure and developments

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

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

Balmer Lawrie & Co. Ltd. is the market leader in this industry with a market share of more than 32%. The SBU operates through seven manufacturing plants on pan India basis which includes the state-of-the-art facility at Navi Mumbai.

The SBU manufactures high quality products ranging from Open-Head including 100 Ltr capacity, Tight-Head, Plain, Lacquered, Composite, Galvanized, Tall, Necked-In and Conical Drums catering to diverse industry segments and the esteemed customers

in these segments. These products are utilized for packaging Additives, Chemicals, Lubricants, Food & Fruit Pulp, Edible Oils and various Liquid and Semi Liquid substances.

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

During the Financial Year 2019-20, the Silvassa plant was rated for Gold Category and Chennai plant was rated Bronze category under National Award for Manufacturing Competitiveness. Further, the Navi Mumbai plant was rated in Gold category in National Green Manufacturing Challenge 2019. BL retained Silver Rating from EcoVadis – a global solution provider which partners with 300+ leading multinational organizations to reduce risk across the supply chain and drive innovation in their sustainable procurements.

The MS drum industry is a proxy for manufacturing industry. The key industry segments, which are catered to are: Lubricants, Chemicals & Agrochemicals, Food & Fruits, Transformer Oil, Additives, Bitumen & Bitumen Emulsion. The overall industrial growth is a driver for the drum industry.

Opportunities & Threats

Opportunities

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

Threats

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

Segment-wise or product-wise performance

The Industrial Packaging SBU has been showing consistent growth in volume, turnover, profitability and profits. However, during the current year, due to overall compressed demand and lower demand from fruit pulp industry, the volumes were under pressure. In spite of the adverse market situation, the SBU was able to better the profitability as compared to previous year.

Lubricants, Chemicals, Transformer Oils and Fruit Pulp are the major segments contributing to approx. 90% of the SBU sales. Newly set up Vadodara plant commissioned in the previous year, is gradually scaling up its operations and expected to provide a significant edge to the SBU for further growth.

Outlook

Due to the outbreak of COVID-19 pandemic and continuing lockdown, there is general uncertainty regarding the resumption of normalcy. It is expected that the unlocking will be gradual, thus, affecting businesses across all segments. The Reserve Bank of India recently accepted that the GDP growth will slip into negative territory in the current year due to collapse in demand and slide in consumption following the lockdown. The SBU expects recovery of business in the second half of Financial Year 2020-21.

The SBU anticipates significant growth in the coming years with the biggest drivers being Chemicals / Agrochemicals, Transformer Oils and Additives segments. The SBU has plans to aggressively expand in the Exports segment.

Risks and concerns

Health and safety concerns, lockdown controls, exodus of manpower and disruption of supply chain have severely affected the business. Liquidity is under severe stress affecting the working capital requirements.

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

Internal control systems and their adequacy

The SBU is governed by performance budget system and internal control measures to monitor performance against targets / norms. BIS certification is available for all the plants of the SBU. All the seven plants under the SBU 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

During the year, the SBU improved its profitability despite decrease in volumes. The SBU improved its overall efficiency through Operational Excellence across various manufacturing units.

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

The SBU continues to enjoy cordial relationship with

employees at all its units. As on 31st March, 2020 the SBU had total 188 employees consisting of 119 Executives, & Officers and 69 unionized employees.

2. GREASES & LUBRICANTS

Industry structure and developments

India is the third largest lubricant market after China and USA with an estimated finished lubricant market of 1750 Million Ltr (without process oils), valued at USD 5 Billion. The Automotive segment accounts for 60-65% share while the balance 35-40% share is from Industrial segment. The market witnessed growth challenges in Financial Year 2019-20 due to the slowdown in economy and sluggish demand from the auto industry. The lube market in India is expected to grow at a CAGR of 1.5% through 2023 following the current slowdown due to the COVID-19 pandemic. The competition in the market is intense with global players and local manufacturers putting up aggressive strategies for increasing their share in the market place. BP Castrol, Exxon Mobil, Shell, Gulf, Total and Petronas are some of the major global players while the local manufacturers consist of IOCL, BPCL, HPCL, Tide Water, Savita, Apar, etc.

Opportunities & Threats

Opportunities

- One of the fastest growing markets in the world and is expected to continue its growth in the next 5 years.
- With less than 2% market share, the Balmerol brand has an excellent opportunity to grow.
- Pan India operations with three manufacturing plants in Kolkata, Silvassa and Chennai
- Positive Brand Image in Greases and Specialties due to long presence
- Industry recognition in core sectors like Railways, Defense, Steel and Mining
- Excellent Research & Development Facility

Threats

- Supply security of base oils
- Aggressive pricing by competitors
- Higher marketing spends by competitors particularly in retail distribution network
- Liquidity issue and overall economic condition throughout the current Financial Year and Financial Year 2021-22 will impact our growth and network expansion plan.
- Resource constraints in Sales / Marketing / Technical Services.

Segment-wise or product-wise Performance

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

- a) Contract Manufacturing and Processing: The SBU continues to remain in this segment despite low margins in order to improve its capacity utilization; however the volumes have come down significantly.
- b) Direct Sales: The SBU's shift in focus to profit making non-tender businesses from volume-driving tender businesses has resulted in negative growth in volume and substantial jump in profit. The SBU will continue focusing on:
 - Profitable and sustainable business
 - Shifting from tender business to non-tender business
 - Shifting from conventional products to value added products for better margins in Steel, Mining, Infrastructure, Fleet and Auto OEMs segments
 - Business Development and adding new customers
 - Increased level of engagement with customers and end-users
 - Reinforcement of the Technical Services team
- c) Channel Sales (Automotive and Industrial): The SBU has witnessed a de-growth in Channel Sales as compared to last year mainly because of sluggish Automotive demand throughout the Financial Year 2019-20 and fierce competition & promotions done by the MNCs and other PSU oil companies playing on huge discounts to keep the sales intact. However, the small pack sales have registered growth over Financial Year 2018-19 and there has been an increase in Retail Outlets selling Balmerol brand, which has contributed to better profitability. The Balmerol brand is now launched in the Nepal market and we intend to sell 300 KL in Financial Year 2020-21 there.

The SBU will continue focusing on;

- Increasing network in focused states
- Diesel Engine Oil (DEO) & Motor Cycle Oil (MCO) will be prime focused products
- Launch of Long-Life Greases targeted to get higher volumes
- Launch of Glider 4T & Super Star 10W 30 mineral based 4T oils to add on the volume in MCO.
- Appointment of exclusive Distributors for MCO

- Special focus and promotion in tractor segment to promote DEO in rural areas
- Increase Visibility – Retail Display of new packaging at the dealer outlets
- Extensive mechanic contact programs.

Outlook

- Increase in Retail Volume – Focus on DEO & MCO along with Greases
- Network expansion by increasing distribution network
- Implementation of DMS (Distributor Management Software), CRM (Customer Relationship Management) and Digital Loyalty Program for Mechanics
- Increasing Marketing activities (mainly Below The Line) and customer engagement programs
- Explore Opportunities in Transport and Infrastructure Segments, which are the fastest growing segments in terms of lubricant consumption
- Increase business share in Steel, Mining, Railways, Defence and Auto OEMs
- Increase Non-Tender Private Business
- Increase Original Equipment Manufacturer FF and Service fill
- Retain leadership in Grease segment

Risks & Concerns

- Dependency on tender business
- Inadequate distribution network
- Poor brand visibility
- Supply security of Base Oils
- Lack of global OEM approvals
- Limited spends in marketing as compared to MNCs and other major PSU Oil Marketing companies

Internal Control Systems & their adequacy

The SBU has adequate internal control systems suitable for its business needs. The SBU also has a detailed Management Information and Control System to monitor performance against budgets / targets.

All units of the SBU are certified for quality management system and periodic / recertification audits were conducted at all units for IMS 2015 (ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007). The Silvassa plant has been upgraded from OHSAS 18001:2007 to OHSMS 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 under review the SBU has witnessed a de-growth in its overall performance in terms of production and sales as well as the topline as compared to last year, resulting in a consequent drop in its bottomline.

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

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

The SBU continues to enjoy cordial relationship with employees at all units. As on 31st March, 2020 the SBU had total 196 employees consisting of 84 Executives, 32 Officers and 80 unionized employees.

3. LEATHER CHEMICALS**Industry structure and developments**

The leather sector has been identified as one of the focus sectors as part of the Government's Make in India program. Leather is a by-product of the meat industry. By-products like hides and skins, which are available from the meat industry are recycled into usable products by various tanning processes. There are three stages of processing Beam House, Wet End and Finishing. The SBU is stronger in Wet End operations where it enjoys considerable market share among the Indian players in India. This year the SBU has presence in the Beam House chemicals segment and has forayed into Finishing chemicals. A state-of-the-art Finishing chemicals plant has been set up in Chennai. The SBU will have an advantage to target more customers with a wider product basket. Since export of raw hides and skins are banned in India, the entire resource of hides and skins are getting converted into leather and leather products for export and domestic use. There is a huge scope available in the syntan market also. The SBU has plans to tap the market with both existing and new products.

The annual leather production is around 3 Billion sq. ft. which is 10% of the world leather requirement and annual export from the Indian leather industry is around US\$ 6 Billion.

The leather industry holds a prominent place in the Indian economy. This sector is known for its consistency in high export earnings and it is among the top ten foreign exchange earners for the country. To boost the domestic footwear industry, the Government has increased the import duty on footwear to 35% from 25%. The leather industry is an employment intensive sector, providing jobs to about 4.5 million people, mostly from the weaker sections of the society. Employment of women is predominant in the leather products sector with about 30% share.

In terms of market potential in India, the Southern Region holds 44%, East is at 23% and the North has 33%. India is the second largest producer of footwear and leather garments in the world.

This industry is a fashion driven industry. Regular new products and cost-effective recipe based technical services are necessary for tanneries and leather chemical manufacturing companies.

The important new products launched in the last year were Balmol PG1 and Balwet 90 which played a significant role in the gloving segment in the Eastern Region. These products have been well accepted by majority of the customers.

Opportunities & Threats

SBU Leather Chemicals holds a major market share in the Fat Liquors segment and is a significant market share holder in the Syntan segment. This SBU has enough opportunities to grow in other segments like Finishing and Beam House Chemicals. The SBU has introduced new chemicals in the Beam House segment like Wetting agents, Basic Chrome Sulphate (BCS) etc. The SBU also launched a range of finishing chemicals being manufactured in a modern manufacturing facility.

The SBU has well equipped 'Technical Service Center' in all the major leather manufacturing clusters in India and renders high quality technical services to the tanneries. The SBU developed eco-friendly, metal free tanning process with Gluteraldehyde which has been popular now in the market. The SBU has a strong brand image, well-developed distribution network, loyal customer base, penetrated good number of A / B category customers which can be leveraged for enhancing its business in other segments.

Shrinking market due to less export order, increasing demand for non-leather products and environmental issues are the major threats.

Segment-wise or product-wise performance

In spite of lower sales volume than the previous year, the SBU continued to earn profits by process improvement and Operational Excellence initiatives.

Outlook

The path forward as envisaged in this SBU is as follows:

- Improve the sales volume through existing dealers and increase the distribution channel by appointing new dealers in all three regions
- Focus more on new product line like Beam House and Finishing chemicals
- Upgrade the Technical Service Centers
- Focus on the export markets like China, East Africa, Korea and Bangladesh

Risks and concerns

Closure of Northern Region tanneries due to environmental issues, increasing usage of non-leather products, lesser export orders are the major risks and concerns for this SBU.

Internal control systems and their adequacy

The SBU uses 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.

The SBU is a registered member of the Leather Working Group, UK (LWG).

Discussion on financial performance with respect to operational performance

In spite of volatile market conditions and closure of tanneries in the Northern Region, the SBU managed to make profits continuously for the fifth year through OPEX initiatives, process improvements, proactive sales and marketing activities.

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

Training & development programs by internal and external faculty were continuously organized to improve the skill levels of employees. The SBU maintained cordial relations with all the stakeholders. As on 31st March, 2020, the SBU had total 67 employees consisting of 34 Executives, 7 Officers and 26 unionized employees.

4. LOGISTICS

Logistics Infrastructure (LI)

Industry structure & developments

Logistics is considered to be the backbone of the economy, and it is the process of planning and executing the efficient transportation and storage of goods from

the point of origin to the point of consumption. The goal of Logistics is to meet customer requirements in a timely and cost-effective manner. The Logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers, which define whether the industry is able to help its customers, reduce their costs and provide effective services. The Logistics Infrastructure business comprises of three main segments viz., Container Freight Stations (CFS) typically set up in the vicinity of Ports, Warehousing & Distribution (W&D) and Temperature Controlled Warehouses (TCW). 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. During Financial Year 2019-20, container handling at the top 12 Ports in India grew by 4.61% which is lower than the last year's growth of 8.98%. The total container throughput in India during Financial Year 2019-20 was around 12.67 million TEU while it was 12.12 million TEU in Financial Year 2018-19. Presently, the Company has three state-of-the art CFSs located at Nhava Sheva (Navi Mumbai), Chennai and Kolkata. Incidentally, these three ports account for nearly 53% of the total container traffic handled in Indian Ports. The import volume in the three ports of JNPT, Kolkata and Chennai improved by 0.90% but the volumes moved to CFS from Port in these three cities went down by 4% during Financial Year 2019-20 as compared to the earlier year. The main reasons for the negative growth in volumes moved to CFSs were due to development of Inland Container Depots (ICDs) which cater to the interior parts of Western and Central India and implementation of Direct Port delivery (DPD) at Nhavasheva and Chennai locations. The industry witnessed the implementation of technology driven policies to clear the containers or cargo at fast pace so as to facilitate "ease of doing business" for the importers and exporters. DPD, especially at Nhava Sheva, was started during the fourth quarter of Financial Year 2016-17 and the measures taken to streamline its effective implementation resulted in significant reduction of volume available for CFS. Further to this, the DPD concept has been extended to all the locations to facilitate reduction of costs for the importers. The DPD at all the locations has increased considerably over the period.

Warehousing, or warehouse management, includes such functions as inventory management and order fulfilment. It also involves managing warehouse infrastructure and processes that involves the handling and storage of cargo in an efficient manner. The warehouse industry in India is worth INR 615 Billion and is growing at a rate of 10-12% every year. Riding

high on the structured reforms wave, including the recent infrastructure status granted to Logistics and the implementation of GST, the Indian warehousing and logistics sector is estimated to attract nearly 10 Billion USD investments over the next 4-5 years. With addition of around 200 million sq. ft. warehousing space across India, the total supply is expected to nearly double by 2022. It accounts for 5% of the Indian logistics market. The growth in Indian warehousing industry is led by various factors, prominent amongst them being initiatives of the Government like Make-In-India in facilitating manufacturing at the local level, implementation of Goods and Service Tax (GST), Growth of e-commerce, digitisation, thrust on the economy moving to cashless state, growing domestic consumption, favourable increase in international trade and growth in private and foreign investments in infrastructure.

The Company's Warehousing and Distribution facilities are presently available at Kolkata and Coimbatore. Your Company has successfully bid and bagged a contract for providing warehousing and distribution facilities for the manufacturing units operating out of Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis. The warehouse capacity is of 80000 sq. ft. in which cold storage consists of 5000 sq. ft. The same has been commissioned in February 2020 and the operational activities shall be started soon.

India's cold chain industry is still evolving, not well organized and operating below capacity. The Indian cold chain market is highly fragmented with more than 3,500 companies in the whole value system. Organized players contribute only 8-10% of the cold chain industry market. Most equipment that are in use are outdated and single commodity based. Cold storage capacity is expected to grow at nearly 13% per annum on a sustained basis over the next 4 years, with the organized market growing at a faster pace of 20%. The Indian cold chain market is projected to reach Rs. 3,000 Billion by 2025, growing at a CAGR of 14.8% during 2020-25. The key growth drivers include growth in organized retail and food service industry, Government's initiatives, and rising export demand for processed and frozen food. The industry has now become an integral part of the supply chain industry comprising of refrigerated storage and refrigerated transportation.

Opportunities & Threats

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries which offers hope to this industry. The Government of India is expected to invest highly in the infrastructure sector, mainly

highways, renewable energy and urban transport. 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 numbers of CFS operators are quite less. It can also be noted that the growth of traffic at non-major ports has been increasing significantly year on year. With the implementation of GST and the increase in volume of containers getting cleared through DPD, the handling of LCL consolidators' cargo and venturing into Warehousing and its affiliated activities like value added services in addition to the CFS services including last mile transportation, packaging, labelling, and distribution can be seen as opportunity in the long term.

Other initiatives of the Government for the sector such as capacity enhancement of the Green Energy Corridor Project and development of Dedicated Freight Corridor have encouraged greater movement of containerised traffic and increase in the demand for CFS / ICDs. Further to this, the development of upcoming Multi Modal Logistics Hub (MMLH) projects also entail development of ICDs within their premises.

There are growth opportunities in the Cold Chain sector which are primarily seen in the area of organized retail comprising Quick Service Restaurants (QSR) and Modern Retail (MR). Changing consumer trends for convenience and processed foods are also giving opportunities to the cold chain industry. The Government of India is also setting up 30 Food Parks to promote the cold chain industry. The Indian Pharma industry is also giving a boost to the cold chain industry.

Large import houses are showing keen interest to have direct negotiation with CFSs by removing dependence on mediators, which is likely to be a good opportunity for CFS operators. In addition to this, due to the strict implementation of policy of DPD by customs, import houses are in need of the Warehouses / CFSs where they can stock the cargo till their customer requires the raw material. The advantage of BL having its own CFSs in three major locations, the strength of relationship with major shipping companies through its other activity Logistics Services, its efficiency of operations and ability to offer integrated and customized services are continuously providing growth opportunities for the business.

For the last few years, CFSs / ICDs were facing tough times which reflected in declining container

volumes for CFS and reduced profit margins for most of the operators primarily due to difficult global environment as well as issues on the domestic front like low technology utilisation, customs procedures, ICDs development, DPD implementation, increasing port congestion, increasing demand for incentives from Shipping Lines, CHAs, Forwarders, reduction in logistics costs sought by Importers and Exporters, Shipping Lines wanting to have their own CFS and offer captive market to their CFS etc. The Shipping Lines and Ports are going for backward integration in order to offer customised logistics solutions to their customers. The decrease in the dwell times of the containers at the CFS is affecting the bottom-line of the organization. The competition in the industry is forcing the players to follow the same suit so as to retain the volume.

Besides this, giving a push to the 'Ease of Doing Business' initiative, the Prime Minister's Office (PMO) had directed the Shipping Ministry to increase the share of "direct delivery" consignments at Indian ports to 80% by the end of Financial Year 2020-21. In the recent years, 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. This has led to the increase of bargaining power of Forwarders / Importers / CHAs to move the containers to CFS of their choice by getting the best rates with maximum free days possible in the market. On an average 60% of the volumes are being diverted from DPD / CFS to different CFSs where the margins on the containers are very less. The similar trends of DPD volumes of 53% in Chennai and 43% in Kolkata has been affecting the volumes available to CFS.

Land acquisition issues, high capital investment, low technology penetration, lack of supporting infrastructure and fragmented market are collectively impeding the growth of this business segment. Growth in share of minor ports and increasing market share of private ports may lead to volumes getting diverted from the three major ports of JNPT, Kolkata and Chennai to nearby ports, which in turn will affect the volumes of the Company. Growth in exports has been muted for the last few months and lukewarm level of project activity in the country are headwinds faced by the SBU.

Considering the potential in Cold Chain Logistics, the Company ventured into setting up Temperature Controlled Warehouses (TCW). The first state of the art TCW was commissioned in Hyderabad in March 2016. The second TCW at Rai, Haryana is established and started operation from October 2017. The third one at Patalganga near Panvel, Maharashtra has been commissioned in December 2018. All the three TCWs i.e. Hyderabad, Rai and Patalganga are operational. The Company is also in the process of setting up a Cold

Storage in state of Odisha near Bhubaneswar which is expected to be operational in the current Financial Year. The Company has also ventured into Cold Chain Transportation business and in the process, procured 18 numbers of reefer vehicles. These will be used for providing end-to-end solutions to the customers. Through these facilities, the Company will not only be providing reliable temperature-controlled solutions but also act as a differentiator in the TCW domain.

The Company has also been working on the management of Integrated Check Post (ICP) Operations and has already started managing ICPs at Jogbani and Raxaul, Bihar. Besides this the Management is in the process of asserting feasibility of operating other ICPs at different locations.

During the year, the CFS business was not able to grow in volumes, revenues and earnings as compared to the previous year but was able to retain its present set of customers. The Warehousing activity continued to perform well during the year due to better utilisation of space and the business segment of Temperature Controlled Warehouses has also started looking up.

Future Outlook

The COVID-19 pandemic has a widespread impact across all sectors of the Global as well as Indian economy. The GDP growth and buoyant global trade are the key drivers for increased throughput and occupancy for Warehousing and CFSs. The SBU is not likely to be able to deviate from the industry growth trajectory.

However, the Logistics Infrastructure SBU of Balmer Lawrie is able to bring together a unique set of value proposition to its customers. Firstly, coupled with the Logistics Services SBU it is a combination of asset light and asset intensive plays in the Logistics sector – thus spanning a wider gamut of services for which the customers look at Balmer Lawrie as a “one stop shop”. Within the asset-centric business, the SBU is able to offer a basket of solutions: Container Freight Stations, Temperature Controlled Warehouses, Ambient Warehouses, ICPs catering to Land Ports and a Multimodal Logistics Hub (through Vishakhapatnam Port Logistics Park Limited). The comprehensive services – offered across pan-India locations make the SBU a partner of choice to Importers, Exporters, Shipping Lines, CHAs, Freight Forwarders and the trade.

So, while there is a wide variety of hurdles for the industry and the SBU, it is expected that a combination of diversified service range, pan-India presence, technology-led customer intimacy, knowledgeable resources – will ensure that the SBU is able to grow in the face of significant crisis inflicted to the economy

by the pandemic.

Risks & Concerns

DPD is the major concern at this point of time as the share of the revenue for SBU: LI is being generated by the CFS business. Mergers of Shipping Lines are witnessed in the industry. The development policies of Shipping Lines and Ports may also pose a major risk in the process of offering cost effective solutions to the customers. This can lead to hardening of freight rates as the level of competition comes down with consolidation of shipping lines. More efficient and technology driven port operations are enabling reduced dwell time. Opportunities for earnings are coming down year after year and per TEU profitability is continuously under pressure. In view of the stiff competition, CFSs are not able to pass on the increase in costs to the customers. Over the last few years, service levels being offered by a good number of CFS operators are almost similar with the users being indifferent to doing business with any particular CFS. Overall there is a substantial reduction in earnings per TEU for most of the CFS operators. Challenges faced by the SBU are being addressed through appropriate management intervention, employee involvement and improved processes.

Internal control systems and their adequacy

LI through its Operation package i-Comet has built in high degree of control with checks and balances to conduct its operations effectively and efficiently. Financial records are however maintained in SAP. There are periodic internal and external audits conducted for the SBU. LI, like all other SBUs of the Company has a very robust Performance Budgetary control system whereby actual performance is weighed against the Business Plan developed before the commencement of the year. All the three units of LI are certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Discussion on financial performance with respect to physical / operational performance of SBU

Loaded Import arrivals to our CFS were down by 9% and exports went down by 31% compared to the previous fiscal. This resulted in bringing down the SBU's turnover by 8% and the profits by 18% over last year levels.

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

Industrial relations in all the units of CFS and W&D remained cordial right through the year. As on 31st March, 2020 the SBU had total 141 employees consisting of 43 Executives, 36 Officers and 62

unionized employees.

Logistics Services (LS)

Industry structure and developments

The Indian Logistics sector currently valued at USD 150 billion, is contributing around 14% of country's GDP and is expected to become worth USD 215 billion in the next few years. With the easing of FDI norms, implementation of GST, introduction of the E-Way Bill, increasing globalization, growth of ecommerce, positive changes in the regulatory policies, and the various Government initiatives such as Bhartmala, Sagarmala, Dedicated Freight Corridors, Inland Waterways & Coastal Shipping programs, Make in India, Multi-Modal Logistics Park Policy, Digital India etc., the sector is poised to grow manifold in the years to come. Granting of infrastructure status and industry status to the sector has made it easier for investment inflows and this is a major growth driver of the Logistics industry.

Despite the recognition of logistics being a critical driver of economic development, logistics cost in India, estimated at 13-14% of GDP, is very high (USA 9-10%, Europe 10%, Japan 11%) compared with more efficient global environments, and the sector continues to be highly unorganized. India also has a skewed modal transportation mix, with 60% of freight moving on roads, which is significantly larger than in key developed economies. The Government of India had created a Logistics Wing headed by a Special Secretary under Ministry of Commerce and is in the process of drafting a National Logistics Policy. This department is working at bringing in transparency in the Ocean Freights, Terminal Handling and other allied charges, in order to reduce the overall logistics cost for boosting the EXIM trade.

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 Government expects the Indian logistics sector to grow to USD 360 billion by 2032 majorly contributed by Road Transportation, Cold Chain Facilities, Multimodal Logistics Park, Warehousing & Distribution and Coastal & Inland Waterways Sector. Digitalization will improve the efficiency and performance in freight management and port operations. The introduction of the E-Way Bill, e- Sanchit and GST implementation will further help in reduction of cost.

Logistics start-ups in India gained a substantial foothold during the year. Online platforms have increased competition and lowered freight costs with real-time data availability and a transparent value chain. It is

imperative for logistics service providers to innovate and adapt to the transforming logistics landscape. 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 business model.

Due to the entry of global giants and large Indian corporate house, Indian logistics industry has become heavily competitive. Consolidation of business and industry locally as well as globally has taken place aggressively in the recent past, with number of significant mergers and acquisitions at various levels and segments.

The major players in the Logistics Services sector are large Multinational Organisations, including all the major MNC Freight Forwarding companies that have set up shop in India, introducing much needed technology and corporatisation of the sector.

Opportunities and Threats

The impact of China-US Trade Wars and spreading COVID-19 pandemic across the globe created an instability in Air / Ocean supply and buying rates in the last quarter. Organic and inorganic growth of multinational as well as domestic players in the expanding Indian logistics market has already made the industry highly competitive which the SBU is countering through its multi focused strategies. The SBU is losing experienced logistics professionals due to superannuation and is facing difficulties to replace them with equally equipped professionals from the market. However, this year the SBU has been able to recruit a robust Sales Team, which will help the unit to focus on hitherto untapped Government / PSU customers as well as the Private Sector business. Increasing its focus on specific high throughput trade-lanes coupled with penetration in segments with high EXIM trade value will help address the threats and throw up new opportunities for the SBU. The emphasis on Aatmanirbhar Bharat and Vocal for Local may have short term headwinds for the international freight forwarding industry in India but as the geopolitical scenario evolves, Indian industry is expected to leverage the shifting dynamics of global supply chains. The pandemic is compelling global corporations to spread its risks and the medium to long term benefits of a more competitive India will augur well for the freight forwarding industry.

The outlook for India's Freight Forwarders is positive; growth in the economy supported by enabling policies and digitalization, rising e-commerce, development of remote areas and Make in India initiative that has seen several foreign firms enter the country to set up manufacturing bases. India's homegrown logistics companies are indeed poised to give stiff competition

to their foreign counterparts. Although the freight forwarding industry is highly fragmented, credibility as a PSU, strong pan-India presence, worldwide strong Associate Network, robust technology and the transition of customers towards organized players with skills, expertise and financial strength will help us overcome the short term challenges and ensure substantial growth in the medium term.

Segment-wise or product-wise performance

SBU Logistics has presence in International Air / Ocean Import / Export Freight Forwarding and Project Cargo movement. Air freight services, though suffered a declining trend in the year under review, continued to be a dominant activity of the SBU with around 56% (last year 68%) share of the overall topline. Other than Air Import and Export activities, Ocean freight also has contributed more than 27% of the overall topline for the SBU where the SBU has registered a growth of around 36% (last year). The Unit has also established a relatively small but strong Project Logistics Team to handle the Over Dimensional / Weight Cargo. This activity is functioning with the close support of the Freight Forwarding Operational Team.

Outlook

The SBU was able to retain its major GOI and PSU customers and was also able to sign some of the new activities from those contracted customers.

The SBU has a well-defined plan and ambition to continue increasing its private sector business with a view to improving 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. The SBU 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.

The SBU has a well-defined plan to introduce customized IT solutions for faster, dedicated and focused time bound service and delivery.

Disruption of services has been observed due to the COVID-19 pandemic, which is going to see lot of consolidations happening amongst the small freight forwarders, which will open up gates with various customers for the SBU.

The SBU has been continuously working closely with its Worldwide Agents and Associates. In some cases, the SBU enjoys exclusivity with some Associates

and is working closely with other players to nurture a similar relationship to gain reciprocating business. The SBU has also increased the number of Associates in different countries like China, Africa and South America to be more competitive in handling Ocean volumes.

The SBU continues to be an active Member of different Industry Associations, like ACAAI, FFFAI, AMTOI, CII Logistic Forum, Bengal Chambers Shipping Committee to name a few.

Risks and concerns

The SBU 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 wars between China-US has influenced the Maritime & Logistic Platform which has affected our buying rates. The overall economic activity and trade volumes started declining since January 2020 impacting the Exim volumes.

Major shipments are getting converted to CIF from FOB which is ultimately affecting our topline 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 one stop solution to the customers and is also making investments in technology, infrastructure and 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.

The SBU 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 umbrella. The SBU has revamped its existing technology and has plans to further upgrade it in the near future 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 are ISO accredited and such accreditations were valid in 2019-20.

Discussions of financial performance with respect to operational performance

During the year the SBU suffered a downfall in overall topline by around 20% primarily due to impact of sluggish market condition and the following reasons:

1. Contracted customers moved from FOB buying to CIF buying for their imports.
2. Contracted and regular customers deferred their maintenance and repair works due to geo-political reasons
3. Make in India policy of Indian Government has reduced import for our customer segment which includes GOI & CPSEs primarily.
4. Global Trade War between China and US increased the Freight Price and imbalance of equipment from the major Shipping Lines, which disrupted the America-Asia Trade Lane. This has affected India with respect to the availability of Cargo Capacity and reduction of container carrying vessels to and from India.
5. Contraction seen in the manufacturing sector led to decrease in exports and a sharpest margin reduction despite the rupee depreciating throughout the last quarter.
6. The global COVID-19 pandemic has cut short the Indian Logistic Service sector which contracted in last quarter of 2019-20 because of fall in demand, and both exports & imports received a hard shock.

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

Industrial relations continued to be cordial at all units while the SBU operated with optimum level of manpower across the units. As on 31st March, 2020 the SBU had total 141 employees consisting of 94 Executives, 34 Officers and 13 Workmen & Sub staff.

5. TRAVEL & VACATIONS

Ticketing

Industry structure & developments

2019-20 was a tumultuous year for the travel industry with closure of Jet airways, grounding of Boeing 737 Max aircraft and an unprecedented debt crisis of Cox & Kings and Thomas Cook UK. The overall economic slowdown coupled with the continued changes in the political scenario of the country with Lok Sabha elections and the Jammu & Kashmir lockdown greatly impacted travel within the country. The impact of COVID-19 pandemic was felt towards the end of the financial year and steady decline in numbers was visible with zero passenger travel in the last 6 days of

March. Indigo maintained its lead with 48.9% fare of domestic and SpiceJet was at number 2 with 16% in March, 2020

Business travel accounts for 12% of airlines' passengers but accounts for 75% of airlines' profit. Typically, this travel is booked through corporate travel agents who provide best and high quality of service.

Opportunities & Threats

India was expected to become the third largest aviation market in terms of passenger travel by 2024. There was passenger growth from 13.9 crore in the previous year to 14.4 crore in this Financial Year. With increase in the market share of Low-Cost Carriers, the industry faces a further challenge of decline in revenue due to lower commissions and Production Linked Bonus.

Despite the SBU facing challenges in terms of changes in airlines strategy to cut distribution cost, denial of segment fee by GDS and stiff competition by online portals and technology firms, it has been able to increase its bottomline by virtue of delivering superior service to its customers.

Risk and Concerns

The SBU has been the most severely impacted amongst all businesses under the COVID-19 crisis as travel has come to a complete standstill effective March 2020. Domestic air passengers fell by 33% in March 2020 as compared to same month in last year. Airlines in India are likely to suffer revenue loss of \$11.2 billion leading to 2.9 million jobs at risk. A woeful combination of austerity measures, risk aversion of flying and the advent of online video conference tools predict a gloomy picture for Corporate Travel. There is a projected 48% fall in traffic for the full year and the industry faces unpredictable demand, shrunk revenue streams and high fixed overhead costs leading to a liquidity crunch. For the industry and the SBU, it may take 2-3 years to reach its pre-COVID-19 levels of passengers flown.

Segment-wise or product-wise Performance

The Ticketing Vertical has been operating primarily in the areas of ticketing for Corporates / Government clients, LTC tickets for Government officials / their families and walk-in clients – offline and online in B2C segment. Although, the SBU has been growing steadily over the years, however, on account of severe impact of COVID-19 and complete lockdown in the country since 24th March, 2020, the Travel vertical could not achieve its regular growth potential and business dropped by 10% as compared to last year. Despite the lower revenue, the SBU has grown its profits by over 6% on the basis of continued efforts to control costs such as manpower, interest and other overheads costs.

In spite of severe impact of COVID-19, we still believe that there is growth potential in the industry. Significant opportunities to gain market share in the institutional segment exist and this can be achieved by leveraging technology tools and customer intimacy. Our Company has also established an online B2C brand FlylikeKing and significant head room is available for growth as competition struggles to remain afloat during this unprecedented crisis. Once the situation improves, the Company is confident of further growth and maintaining the profitability.

Internal control system and their adequacy

This vertical, which is part of SBU: T&V, has an effective internal control mechanism in place and during the year under review, internal audits were carried out in all the branches and the findings were found to be satisfactory and we have implemented new control measures wherever necessary. During the year, we have implemented new cutting-edge technology in the SBU, which will lead to better productivity and will have huge favorable impact on customer satisfaction levels. In view of the above, we have been making significant progress in terms of digitization of the operational records i.e. booking request records, ticket copy, and frequent alerts to clients for timely collections and updates. As far as SBT business is concerned, there is a direct integration with customer ERP / SAP systems and business is conducted without any human intervention, with no chances of error in output.

Material development in Human Resources/ industrial Relations front including number of people employed

The Travel Vertical is a people intensive business and it focuses on its people and their development. It has this year focused on imparting training to the apprentices to ensure continuous flow of trained manpower in the industry and Company alike. The apprenticeship training has also helped in training and developing skilled youth in the Company. The business has also done a restructuring exercise to address the manpower requirements for the future. A new Fixed Term Contract (FTC) policy has been finalised which will soon be made effective. The business headquarters has moved into its own premises in Delhi at NRO, Okhla, thereby saving rental costs. As on 31st March, 2020 the SBU had total 94 employees consisting of 51 Executives, 31 Officers and 12 unionized employees.

Vacations

Industry structure and developments

Before the COVID-19 pandemic, travel and tourism was one of the largest industries in India, with a total contribution of over 247 billion U.S. dollars to the

country's GDP in 2018 and this was expected to reach over 500 billion U.S. dollars by 2029.

In India, with more than 1000 registered tour operators, the travel and tourism industry is highly unorganised. Being so fragmented, it is very competitive as it comprises of large MNCs, small & medium size domestic / regional companies as well as small local mom & pop shops.

Due to the COVID-19 pandemic, all industries are reeling but it is the tourism and hospitality sector that has been hit the most given all the border closures, travel restrictions and lockdowns. The World Travel and Tourism Council (WTTTC) estimates the crisis to cost the tourism sector at least USD 22 billion, the travel sector shrinking by up to 25% in 2020, resulting in a loss of 50 million jobs. On account of COVID-19, the Indian tourism and hospitality industry is staring at a potential job loss of around 38 million, which is around 70% of the total work force.

Once the pandemic situation settles, travel is expected to resume initially with weekend staycations, road trips and domestic getaways. This will be later followed by international travel.

Business travel will reduce since people are getting comfortable and accustomed to doing business on video conferencing. MICE business is also likely to be impacted in the short term, since due to the lockdown, performances of companies will be affected, and they may not invest immediately in MICE trips.

Visiting friends and relatives (VFR) and leisure travel will pick up once travel is determined as safe as there will be a pent-up demand for holidaying and meeting their family. Coach Tours and cruise ship business is likely to be affected too since people will not want to travel in large groups

Before pandemic, the Ministry of Tourism had also been working tirelessly on strategies to boost domestic tourism. Campaigns such as Swadesh Darshan, theme-based tourist circuits were launched to harness the tourism industry's potential.

During these testing times, your Vacations Vertical has researched and accordingly planned strategic actions to grab the market once it opens. The products have been designed and the manpower has also been trained online during the pandemic based on these strategies. Through social media and by working with the travel trade, the marketing team is keeping the interest in the destinations alive so that consumers have a desire to travel there once the restrictions are lifted.

Opportunities and Threats

The COVID-19 pandemic has placed the tourism industry under immense financial strain. What has

unfolded around the world in the past few months is unprecedented. In this time of uncertainty, travel and tourism is undoubtedly one of the worst-hit sectors as destinations reported a 22% decline in international arrivals within the first three months of the calendar year. By the end of the calendar year we may well see international travel decline by almost 80%.

However, in India, foreign tourists represent less than a percent of tourism activity. The lion's share of tourism activity being domestic, India's travel and tourism sector will largely be insulated from the immediate aftermath of the pandemic. Between 2012 and 2018, domestic tourism activity grew from 1.05 billion to 1.85 billion with a growth rate of around 10%. In the aftermath of the pandemic, we expect international travel to evidence muted growth until countries agree to common standards and SOP's of pre-screening at origin destinations. However, restrictions on international travel will see a spurt in domestic tourism activity. KPMG in India estimates that domestic tourism activity will touch 2.8 billion by 2022. The drivers of growth could be two-fold.

First, there would be multiple citizens coming out of months of lockdown who would be itching to travel and experience normalcy. We could see a weekend tourism boom, with people traveling to familiar destinations preferring cars over mass transit options. Second, 40 million Indians who would have otherwise planned to vacation overseas are largely restricted to domestic travel. As confidence in air travel resumes, long haul destinations beyond the 'four-hour travel barrier' will see heightened activity. Together these travellers will generate significant additional revenue for the currently ailing industry. To exploit these opportunities, Vacations Vertical is very adept at putting out domestic as well as international short-haul programmes.

Segment-wise or product-wise performance

Significant growth in Corporate Business was achieved by Vacations to make up for the shortfall in Retail & MICE which was a result of challenging business environment / significant industry slowdown in Financial Year 2019-20. Overall economic slowdown, elections between January to May 2019, airline closing leading to higher airfares impacted both retail and institutional sales. This was an overall industry phenomenon in Financial Year 2019-20 and not specific to your Vacations Vertical and were beyond the control of business.

The December holiday season of 2019 took an estimated hit of almost 40-50% and the holiday season of April to July 2020 hit rock bottom due to the pandemic. There were advanced cancellations and highly reduced forward booking pipelines.

Outlook

As travel has become an important part of everyone's life and is no longer considered as a luxury but a necessity to break away from a mundane routine and rejuvenate, it is likely to revive soon. However, destination marketing services is likely to see a drastic shift. The usually not so conventional destinations, which have seen a controlled exposure to the pandemic might see an upward trend in terms of tourists or as an alternate destination to some of the conventional ones for the time being. Domestic market and self-driven accommodations at boutique hotels is likely to be the focus till next summers as social distancing and staying at smaller properties reduce the risk of the virus. South East Asia and Middle East will play a key role in India Outbound tourism as they have proximity and fewer COVID-19 cases.

Regarding MICE travel, there will be a reduction in the travel budget and companies will keep on promoting Work from Home and conference calls / meetings to reduce the risk and expenses.

The recovery might be slow, however once the pandemic is controlled, the tourism industry will be one of the first one to see major growth as after a very long time of restricted / almost nil travel, people would be looking forward to exploring once again.

Risks and concerns

Since December, 2019 the spread of the infectious disease is invariably linked to travel. The pandemic has slammed all the segments - inbound, outbound and domestic and almost all tourism verticals - leisure, adventure, heritage, MICE, cruise, corporate and niche segments. The forward bookings for the season of October 2020-March 2021 which should have started picking up are all muted. The industries are showing discouraging signs with cancellations of important global travel marts etc. which are marketplaces for contracting for the next season. Unless the progression of the virus stops, almost the entire value for the remainder of 2020 season is at risk.

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 marginal dip in the revenue as compared to the last year, which was a result of challenging business environment / significant

industry slowdown in Financial Year 19-20 and were beyond the control of business. Since December due to COVID-19, the cancellation of bookings for the last quarter of the Financial Year further lead to the marginal reduction in the overall revenue and contribution. Your vertical is ready with products, trained manpower and relevant overall strategies to make the coming years fruitful.

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

Employee relations continued to be cordial at all branches of Vacations vertical. The vertical continues to upgrade the skills of employees through necessary training and development programs. As on 31st March, 2020, the Vertical had total 145 staff consisting of 132 Executives & Officers and 13 Non-Officers.

6. REFINERY & OIL FIELD SERVICES

Industry structure and developments

The SBU: Refinery & Oil Field Services is engaged in the activity of Mechanized Oily Sludge Processing and Hydrocarbon Recovery from Crude Oil Storage tanks and Lagoons. The services not only enable recovery of valuable hydrocarbons from oily waste, but also contribute to environment conservation through eliminating hazards associated with oily waste handling and disposal. This continues to be a niche industry and the Company is a pioneer and the market leader with market share of above 60%.

Opportunities and Threats

The SBU continues to enjoy sizable market share in the processing of oily sludge. Additional growth opportunity exists with the applicability of strict pollution norms and increased focus on fuel and environment conservation in the oil industry. The SBU intends to leverage its experience in project execution and wide base of satisfied clientele to foray into allied service areas.

The SBU is also committed towards continuous technology upgradation to be at par with global standards and aims to maintain its competitive edge in the Indian market through absorption of updated technologies for mechanized oily sludge processing. The main threats visualized by the SBU relate to the entry of new players in the niche market. Various smaller players are foraying into the market with highly competitive pricing and may put pressure on operating margins in the industry.

Segment-wise and product-wise Performance

In Financial Year 2019-20, the SBU has been able to achieve its targeted Turnover and Profit.

Future Outlook

The market demand is expected to be focused on faster execution timelines and better HSE compliance, with preference for closed loop technologies, requiring minimal manual intervention, thereby negating the hazards related to exposure to hazardous oily sludge.

The SBU aims to maintain market leadership in the 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 cleaning technology is also being explored for augmentation of service offerings.

Risk & Concerns

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

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

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

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

Internal Control System and their Adequacy

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

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

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

Discussion on financial performance with respect to operational performance

The SBU has been able to achieve growth in both turnover and profit over the last year. The equipment utilization levels have been able to meet the targeted levels and increased operating efficiency and cost

control have enabled us to exceed our targets for the Financial Year.

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

Industrial relations continued to be satisfactory during the financial year under report. As on 31st March, 2020, the SBU had total 19 employees consisting of 10 Executives and 9 Officers.

KEY FINANCIAL RATIOS

Ratios	2019- 20	2018-19
Debtors Turnover	5.87	6.78
Inventory Turnover	11.20	13.28
Interest Coverage Ratio	36.18	70.74
Current Ratio	2.36	2.25
Debt- Equity Ratio	0.01	0.01
Operating Profit Margin (%)	9.81%	11.19%
Net Profit Margin (%)	10.99%	10.15%
Return on Net Worth (%)	13.53%	14.75%

NOTE: The change in Return on Net Worth is very insignificant at 8%. The same is mainly on account of increase in the net worth over previous year.

CAUTIONARY NOTE

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

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

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

BUSINESS RESPONSIBILITY REPORT (2019-20)

Introduction

In accordance with clause (f) of sub regulation (2) of Regulation 34 of Listing Regulations of the Securities and Exchange Board of India (SEBI), it has been mandated for top 500 companies listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) to prepare a 'Business Responsibility Report' (BRR) as part of the Annual Report.

The BRR captures organization's non-financial performance across the economic, environmental and social bottom line. It helps the businesses to be aware of their economic, environmental and social obligations. Balmer Lawrie, featuring amongst the top 500 listed entities has developed this Business Responsibility Report for Financial Year 2019-20 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	Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road, Kolkata – 700 001
4.	Website	www.balmerlawrie.com
5.	E-mail id	adika.rs@balmerlawrie.com
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	<ul style="list-style-type: none"> • Industrial Packaging • Greases & Lubricants • Leather Chemicals • Logistics • Travel & Vacations • Refinery & Oil Field Services
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	<ul style="list-style-type: none"> • Industrial Packaging (Steel Drums) • Greases & Lubricating Oils • Logistics Infrastructure & Services
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 operates from India with its presence across the Country. 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 neighbouring countries including Qatar, Sri Lanka, New Zealand, Nepal and Kenya.

Section B: Financial Details about the Company

1	Paid up Capital (INR)	1,71,00,38,460
2	Total Turnover (INR)	16,12,16,14,000
3	Total profit after taxes (INR)	1,77,17,41,000
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.90
5	List of activities in which expenditure in 4 above has been incurred:	The CSR amount is spent in following broad areas: a) Health and Nutrition b) Primary Education c) Skill Development and Sustainable Livelihood d) Swachh Bharat Abhiyan

Section C: Other Details

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

Yes, Balmer Lawrie has two subsidiaries namely:

- a) Balmer Lawrie (UK) Ltd. (BLUK)
- b) Visakhapatnam Port Logistics Park Limited (VPLPL)

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

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

Balmer Lawrie (UK) Ltd. currently performs no operation and is under closure proceedings while the Visakhapatnam Port Logistics Park Limited (VPLPL) has been commissioned a year back only. VPLPL has mandated its suppliers and vendors to follow Balmer Lawrie's policy on prohibition of child labour, forced labour, discrimination, no drug or alcohol consumption policy, HSE & Sustainability policy and fraud prevention policy.

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

Balmer Lawrie has strict norms and policies for:

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

These norms also form a criterion for vendor selection. All the contractors appointed by Balmer Lawrie must adhere with these policies. Furthermore, Balmer Lawrie continuously strives to include all entities across the value chain in its BR initiatives. Currently, over 60% of its entities participate in the BR activities.

Section D: BR Information

1. Details of Director/Directors responsible for BR

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

Principle No.	Policy/Policies	Director(s) Responsible
Principle 1 (P1)	<ul style="list-style-type: none"> Code of Conduct for Board Members & Senior Management Core Values Fraud Prevention Policy Whistle Blower Policy Related Party Transaction Policy Conduct Discipline & Review Rules for Executives and Officers Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Code of Conduct to Regulate, Monitor and Report Trading by Insider Policy on Blacklisting 	<ul style="list-style-type: none"> All Directors & Chief Vigilance Officer
Principle 2 (P2)	<ul style="list-style-type: none"> HSE & Sustainability Policy 	<ul style="list-style-type: none"> Director (Manufacturing Businesses) Director (Service Businesses) Director (HR & Corporate Affairs)
Principle 3 (P3)	<ul style="list-style-type: none"> Prevention of Sexual harassment Policy Recruitment rules for executives and officers Executive career progression rules 	<ul style="list-style-type: none"> Director (HR & Corporate Affairs)
Principle 4 (P4)	<ul style="list-style-type: none"> CSR & Sustainability Policy 	<ul style="list-style-type: none"> Director (HR & Corporate Affairs)
Principle 5 (P5)	<ul style="list-style-type: none"> Prevention of Sexual harassment Policy Recruitment rules for executives and officers 	<ul style="list-style-type: none"> Director (HR & Corporate Affairs)
Principle 6 (P6)	<ul style="list-style-type: none"> HSE & Sustainability Policy CSR and Sustainability policy 	<ul style="list-style-type: none"> Director (Manufacturing Businesses) Director (Service Businesses) Director (HR & Corporate Affairs)
Principle 7 (P7)	<ul style="list-style-type: none"> Code of Conduct Core Values 	<ul style="list-style-type: none"> All Directors
Principle 8 (P8)	<ul style="list-style-type: none"> CSR & Sustainability Policy 	<ul style="list-style-type: none"> Director (HR & Corporate Affairs)
Principle 9 (P9)	<ul style="list-style-type: none"> HSE & Sustainability Policy 	<ul style="list-style-type: none"> Director (Manufacturing Businesses) Director (Service Businesses) Director (HR & Corporate Affairs)

b) Details of the Business Responsibility Head

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

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy 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 reflect the intent of the United Nations Global compact, GRI standards and international standards such as ISO 14001, ISO 45001. 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 policies online is: https://www.balmerlawrie.com/static/Codes_&_policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement 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
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.

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

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

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

Sustainability Report: https://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?**

Balmer Lawrie has well placed Code of Conduct ensuring 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 Financial Year 2019-20, the Company received 507 Investor Complaints, all 507 complaints were resolved during the said Financial Year itself. Since the respective complainants have not made any communication post resolution, it is presumed that the same have been resolved to their satisfaction.

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 is proactive in taking steps to address and mitigate the social and environmental concerns. The Company has taken various steps at SBU and plant level to ensure integration of environmentally friendly practices in production, handling and transportation of the product line of the company.

- A. SBU: Industrial Packaging (IP)** has installed LPG gas station at IP-Kolkata plant. The plant is now using LPG in place of HSD as fuel for baking oven operations, that has led to better fuel economy and reduction in rate of emission. IP-Manali plant has started using water-based grease in its various processes resulting in reduction of hazardous waste generation in their plant. Further, IP-Manali and

IP-Silvassa plant recollects and reuses paint sludge in its processes thereby reducing the generation of hazardous waste.

- B. SBU: Container Freight Station (CFS)** has introduced GPS container tracking system at CFS-Chennai for real time tracking and guidance of the containers. This has eased the process of locating the container in CFS Yard and resulted in reduction in lead time and fuel consumption in the process of reach stacker. In CFS-Kolkata, a merry-go-round rail movement system has been installed between CFS unit and Port. This has resulted in reduction of carbon footprint due to fuel saving in transportation.
- C. SBU: Greases & Lubricants (G&L)** has adapted use of thermal label printer for printing of drums thereby replacing screen printing that used of solvents for printing process. This has led to reduction of use of solvents and associated environmental concerns/hazards in the plant.

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 strives to develop sustainable products in line with the Company's continuous endeavour to make positive contribution to the environment and sustainable development. The Company has implemented various projects at SBU and plant level to reduce the consumption of resources (energy, water, raw material). Some of the projects undertaken by the Company in this regard are:

- 1. G&L Manali, G&L Silvassa, G&L Kolkata have installed occupancy sensors to automatically control office lightings.
- 2. In the G&L business, use of nano particles in greases reduces consumption of polluting sulphur compounds as well as decreases energy consumption in the process. This has resulted in improvement of the air quality at workplace and led to energy saving.
- 3. Many Plants of Balmer Lawrie have installed atomizer tap controller resulting in significant reduction of water consumption in the plants.

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 has well laid down procedures for sustainable procurement and sourcing. The Company has online system for vendor registration and management. All procurement is done through e-procurement system and all the payment for the goods/services procured is done through e-payment mode only. These initiatives have facilitated in maintaining quality and transparency in the procurement activities of the Company. During vendor selection process, it is ensured that vendors abide by Health, Safety, Environment (HSE) and sustainable business practices in their organization as well their supply chain both upstream and downstream.

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 inclusion of local good and service providers in its product value chain and procures goods and services from local & small producers. 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 & small producers in the product value chain of the Company. Further, to ensure inclusion of local communities surrounding plant/unit, the Company engages vendors employing people from local communities in majority of manpower and service-related assignments.

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

Balmer Lawrie firmly believes that the waste generated from its operations should be recycled to the maximum extent possible in order to minimize the impact of Company operations on environment. There are proper and effective mechanism in place for waste collection, storage and disposal at all operational sites. Hazardous wastes are collected in accordance with the 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 in each plant/unit of G&L, IP, CFS business of the Company demarcated for storage of hazardous waste and non-hazardous waste in their plants.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the total number of employees

Balmer Lawrie has 1076 employees on regular rolls as on March 31, 2020.

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

Balmer Lawrie has 615 employees on temporary/contractual/casual basis as on March 31, 2020.

3. Please indicate the number of permanent women employees

Balmer Lawrie has 100 permanent women employees as on March 31, 2020.

4. Please indicate the number of permanent employees with disabilities

Balmer Lawrie has 16 permanent employees with disabilities as on March 31, 2020.

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

Yes, Balmer Lawrie has Supervisor's Association for Non-Unionised staff and trade unions for unionised staff respectively at regional level.

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

54.09% of employees are members of recognized employee association.

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

No complaints related to Child Labour, Forced Labour, involuntary Labour and sexual harassment was reported during Financial Year 2019-20.

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

Balmer Lawrie gives special emphasis on continual learning and skill development for all its employees. Various types of trainings and skill enhancement programs are conducted around the year in the area of working proficiency, international markets, company policies, sustainability, human rights, health & safety and career development. During Financial Year 2019-20 safety and skill up-gradation trainings were given to various employees of the Company. A snapshot of the same is given as under:

Employee category	% of Employees that were given safety training	% of Employees that were given skill up gradation training
Permanent Employees	58.92%	21.58%
Casual/ Temporary/ Contractual Employees	86.77%	47.00%
Permanent Women Employees	14.00%	1.14%
Employees with Disabilities	43.75%	43.75%

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
 - Financial Institutions

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

Balmer Lawrie has well defined protocols to identify 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.

Upliftment and well-being of disadvantaged, vulnerable and marginalized stakeholders is one of key underlying principles of CSR policy of Balmer Lawrie. Balmer Lawrie has taken following steps to aid well-being of such stakeholders:

- Making workplace accessible for differently abled personnel working within the organisation.
- Sponsoring the education of children at the Indian Institute of Cerebral Palsy.
- Sponsoring education of tribal children
- Establishing skill development institutes in various cities
- Funding mobile health van service for senior citizens

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?

Yes, the policy of the Company on human rights covers the Company itself, joint ventures, suppliers, contractors etc. Balmer Lawrie is committed to protect human rights of all its employees and this commitment encompasses all its businesses. The human rights that are applicable to all Executives / Officers of Balmer Lawrie are incorporated in conduct of discipline & review rules for Executives & Officers. Balmer Lawrie keeps strict vigil that neither the Company nor any of its business partners indulge in any human rights violation. There are committees in place ensuring that 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 adhere to minimum wages regulations and pay competitive wages that is among the best in the industry. The Company follow all conventions with respect to employees adapted by the International Labour Organisation. Further, the Company is compliant with all regulatory provisions with respect to the employment in the organisation. Employee health & safety is top priority for the Company. Accordingly, an integrated Health & Safety Management System is established across the organization. As a result, the Company has achieved Zero LTI [Lost Time Injury] for last three consecutive Financial Years i.e. from 1st April 2017 till 31st March 2020.

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 right violation, complaints have been received by any stakeholder during the Financial Year 2019-20.

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 endeavours to run sustainable business along all its business verticals. The Company makes every effort for protection and restoration of the environment while conducting business. The leadership of the Company is committed to comply with the highest standards of environment management systems. The Company 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 have also 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 understands the challenges ahead due to impact of climate change and global environment deterioration. Such challenges not only impact the society but can also affect the Company's long-term sustainable growth. To counter the harmful effects on the environment, the Company has taken following initiatives:

- CFS Navi Mumbai, IP Taloja, G&L Manali, G&L Kolkata, IP Kolkata, IP Chittoor, TCW Hyderabad, TCW Patalganga, IP Vadodara and other BL establishments across India planted trees in Financial Year 2019-20. This creation of greenery area aims to reduce carbon footprint.
- IP Silvassa installed RO System to process and reuse of ETP treated water in drum manufacturing process. This has led to reduction the process water consumption of the plant significantly.
- IP Taloja constructed separate area for storage of hazardous waste in their plant.
- At all Balmer Lawrie Plants and Establishments, single use plastic is banned.

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

Yes, Balmer Lawrie conduct 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 have not undertaken any project registered as a Clean Development Mechanism (CDM) project in Financial Year 2019-20.

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:

- The Company has solar plants with a total installed capacity of 526 kWp in five different sites at Asaoti, Navi Mumbai, Chennai, Patalganga and Rai. Out of this, 33 kWp solar power plant has been commissioned at TCW Patalganga in Financial Year 2019-20. This has helped the company to offset 800 tons of carbon dioxide per year emitted from the Company's manufacturing / cold chain operations.
- Different Plants of Balmer Lawrie installed LED lights replacing conventional lights reducing electrical consumption.
- IP Silvassa installed Inverter based 3 phase welding m/c replacing old 2 phase welding m/c. Power consumption reduces from 250A to 80A.

Balmer Lawrie & Co. Ltd.

- IP Taloja installed 120A capacity Active Harmonics Filters at Auto welder to mitigate the harmonics. This reduces electrical energy consumption and carbon footprint of the plant.
- IP Chittoor installed IGBT type welding machine controller reducing power consumption of welding machine by 40 %.
- G&L Silvassa replaced 12 nos 800W lamps at High Mast Lighting tower by 350W LED light. Carbon emission reduced by 19T. Power consumption reduced by 23650 units(approx.). The plant has also planted 33 trees in its premises.

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

Yes, the emissions/ waste generated by the Company for Financial Year 2019-20 are within permissible limits prescribed by CPCB/SPCB(s).

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

There is no pending show cause or legal notices received from CPCB or SPCB(s) as on 31st March 2020.

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 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

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.

Balmer Lawrie is firm believer of inclusive growth and equitable development of all. The Company has various programmes and projects in pursuit of the policy related to Principle 8. The Company is committed for the upliftment of the disadvantaged and marginalized sections of the communities in line with the government intent of "Sabka Saath Sabka Vikas". The Company through its robust CSR policy takes up many programmes and projects on ongoing basis around the year for upliftment of venerable sections of the society. Balmer Lawrie's CSR initiatives operate under two Flagship Programs namely Balmer Lawrie Initiative for Self-Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. The focus areas of the Company's CSR interventions are:

- Health and nutrition
- Primary education
- Skill development & sustainable livelihood

- Swachh Bharat Abhiyan
- Holistic development of underprivileged communities

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

Various CSR programmes of Balmer Lawrie are effectively implemented under aegis of the CSR committee. The Company believes in inclusive approach in implementation of CSR activities and implement the same in partnership with a local authorities or NGOs a few of which are listed below:

- Indian Institute of Cerebral palsy (IICP)
- Integrated Tribal Development Agency (ITDA)
- Ekal Vidyalayas, One Teacher Schools (OTS) by Friends of Tribal society
- Pragati Sangha of Dara in West Bengal
- Rotary Club of Panvel
- SDI- Bhubaneswar, Vishakhapatnam, Rae Bareilly, Kochi, Ahmedabad and Guwahati
- Helpage India
- Swadeep Shikshan Sansthan
- Sulabh International

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

Yes, Balmer Lawrie undertakes impact assessments of CSR initiatives taken up by the Company. The Company engages with Tata Institute of Social Science, Mumbai for assessment of the impact of its CSR projects. This provides feedback on the beneficiaries, shortcomings and room for improvement of the CSR programmes. During Financial Year 2019-20, the evaluation of the CSR initiatives reflects that the CSR activities resulted in a positive impact on targeted beneficiaries.

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

A total sum of ₹ 514.36 Lakhs was spent during Financial Year 2019-20, towards various CSR activities undertaken in line with the key focus areas. Following is the breakup of the expenditure:

Projects/activities	Sector	Expenditure Incurred (₹ in lakhs)	Implementing Agencies
Sponsoring of 02 classes of Indian Institute of Cerebral Palsy (IICP) for the children suffering from cerebral palsy	Education	20.00	Indian Institute of Cerebral Palsy (IICP)
Development work in aspirational districts on anganwadi		20.00	Integrated Tribal Development Agency (ITDA)
Ekal Vidyalayas, One Teacher Schools (OTS) for providing education to the doorsteps of the tribal populace		10.00	Friends of Tribal Society
Skill Development Institutes		300.00	SDI-Bhubaneswar, Vishakapatnam, Rae Bareilly, Kochi, Ahmedabad and Guwahati
Swachh Bharat Abhiyan	Swachh Bharat Abhiyan Health	62.06	Pragati Sangha of Dara/ Rotary Club of Panvel/ Balmer Lawrie/Swadeep Shikshan Vikas Sanstha/Rotary Club Of Chennai/Sulabh International
Maintenance cost for school toilets constructed under “Swachh Vidyalayas” during the Year (2019-2020)		17.74	Pragati Sangha of Dara
Mobile Health Van for old age		10.00	Helpage India

Projects/activities	Sector	Expenditure Incurred (₹ in lakhs)	Implementing Agencies
Donation to corpus fund Narayana Hospital & Saroj Gupta Cancer Research Institute	Health	50.00	Narayana Health Charitable Trust & Saroj Gupta Cancer Research Institute
Miscellaneous (impact study, training, etc)		11.20	TISS
Overhead Expense		13.36	Balmer Lawrie
Total CSR Expenditure		514.36	

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

Yes, Balmer Lawrie has many checks and measures in place in order to ensure that the community development initiatives are adopted successfully by the community. The needs of the communities are identified, and the 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 and adoption. Representatives from the local communities are engaged actively from the planning stages of the programme to its completion thereby giving them a sense of ownership and responsibility. Additionally, the Company regularly engages with the local community to effect a behavioural change for the adoption of the projects.

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

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

Following are the complaints received and resolved across strategic business units for Financial Year 2019-20.

SBU	Complaints received	Complaints resolved
Industrial Packaging	210	210
Grease & Lubricants	24	24
Travel Business	165	165
Logistics Infrastructure (including TCW)	15	15
Vacations	40	40
Leather Chemical Division	21	21

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.

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 focuses on parameters such as service quality, Consistency, delivery commitment, complaint resolution and quality of technical services.

**EXTRACT OF ANNUAL RETURN
AS OF THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020**

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15492WB1924GOI004835
ii)	Registration Date	18-02-1924
iii)	Name of the Company	Balmer Lawrie & Co. Limited
iv)	Category / Sub-Category of the Company	Union Government Company
v)	Address of the Registered office and contact details	21, Netaji Subhas Road, Kolkata-700 001, W.B. Phone-(033) 2222 5313/5329 e-mail:bhavsar.k@balmerlawrie.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	KFin Technologies Private Limited, Apeejay House Block "C", 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900 or KFin Technologies Private Limited, Selenium Building, Tower-B, Plot No. 31&32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana-500032, Tel: 040-67162222 / 1570, Toll free No. 1800 3454001, Email: einward.ris@kfintech.com, website: www.kfintech.com.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Industrial Packaging (Steel Drums)	25129	34.82
2	Greases & Lubricating Oils	19201	20.41
3	Logistics Infrastructure & Services	51201/52243/52109	28.74

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and address of the company	CIN/GLN/ Company no.	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Balmer Lawrie Investments Ltd. 21, Netaji Subhas Road, Kolkata-700001	L65999WB2001 GOI093759	Holding	61.80	2(46)
2	Balmer Lawrie (UK) Ltd. Sterling House, 177-181 Farnham Road, Slough, Berkshire, SL1 4XP, UK	Company incorporated and Registered in England & Wales No. 2764967	Wholly Owned Foreign Subsidiary	100.00	2(87)

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

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

i) Category-wise Share Holding :

Balmer Lawrie & Co. Ltd.										
Sl. No	Category of Shareholders	No. of shares held at the beginning of the year - i.e. 1st April, 2019				No. of shares held at the end of the year – i.e. 31st March, 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Foreign									
(a)	NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00

Balmer Lawrie & Co. Ltd.										
Sl. No	Category of Shareholders	No. of shares held at the beginning of the year - i.e. 1st April, 2019				No. of shares held at the end of the year - i.e. 31st March, 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds	26	3798	3824	0.00	6171	4872	11043	0.01	0.00
(b)	Banks / Financial Institutions	8786506	2632	8789138	7.71	5962323	3942	5966265	3.49	-4.22
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)		28140	28140	0.02	0	42210	42210	0.02	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g)	FIs	1785668	0	1785668	1.57	2580308	0	2580308	1.51	-0.06
(h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0	3854121	0	3854121	2.25	2.25
	Sub Total (B)(1)	10572200	34570	10606770	9.30	12402923	51024	12453947	7.28	-2.02
[2]	Non-Institutions									
(a)	Bodies Corporate-	73998008	0	73998008	64.91	110485500	125	110485625	64.61	-0.30
(b)	Individuals									
(i)	Individual shareholder holding nominal share capital upto Rs. 1 lakh.	17204204	1263202	18467406	16.20	25501375	1581111	27082486	15.84	-0.36
(ii)	Individual shareholder holding nominal share capital in excess of Rs. 1 lakh	8142397	449319	8591716	7.54	15664213	746314	16410527	9.60	2.06
(c)	Others (Specify)									
	Clearing Members	68811	0	68811	0.06	254005	0	254005	0.15	0.09
	Fractions	0	0	0	0.00	0	4542	4542	0.00	0.00
	IEPF	93284	0	93284	0.08	208147	0	208147	0.12	0.04
	NBFC	36326	0	36326	0.03	0	0	0	0.00	-0.03
	Non Resident Indians	945436	88	945524	0.83	1582746	1332	1584078	0.93	0.10
	Non Resident (Non-Repatriable)	1094625	0	1094625	0.96	2303696	0	2303696	1.35	0.39
	Trusts	100094	0	100094	0.09	216793	0	216793	0.13	0.04
	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	101683185	1712609	103395794	90.70	156216475	2333424	158549899	92.72	2.02
	Total Public Shareholding(B)=(B)(1)+(B)(2)	112255385	1747179	114002564	100.00	168619398	2384448	171003846	100.00	0.00
	Total (A+B):	112255385	1747179	114002564	100.00	168619398	2384448	171003846	100.00	0.00
(C)	Shares held by custodian against which depository receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A)+(B)+(C)	112255385	1747179	114002564	100.00	168619398	2384448	171003846	100.00	0.00

ii) Shareholding of Promoters:

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

SI No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / Bonus / sweat equity etc)	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

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

SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 01/04/2019 AND 31/03/2020							
SI. no	For Each of the top 10 shareholders	Shareholding at the beginning of the Year		Transaction during the year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No. of shares	No of Shares	% of total shares of the company
1	BALMER LAWRIE INVESTMENTS LIMITED	70452900	61.80	01/04/2019		70452900	61.80
				10/01/2020	35226450	105679350	61.80
				31/03/2020		105679350	61.80
2	THE NEW INDIA ASSURANCE COMPANY LIMITED	2942449	2.58	01/04/2019		2942449	2.58
				13/12/2019	-60408	2882041	2.53
				20/12/2019	-252627	2629414	2.31
				27/12/2019	-60000	2569414	2.25
				10/01/2020	1284707	3854121	2.25
				31/03/2020		3854121	2.25
3	GENERAL INSURANCE CORPORATION OF INDIA	2853343	2.50	01/04/2019		2853343	2.50
				01/11/2019	-60598	2792745	2.45
				08/11/2019	-125999	2666746	2.34
				15/11/2019	-13403	2653343	2.33
				06/12/2019	-74735	2578608	2.26
				13/12/2019	-73367	2505241	2.20
				20/12/2019	-41249	2463992	2.16
				27/12/2019	-10649	2453343	2.15

SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 01/04/2019 AND 31/03/2020							
Sl. no	For Each of the top 10 shareholders	Shareholding at the beginning of the Year		Transaction during the year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No. of shares	No of Shares	% of total shares of the company
				10/01/2020	1226671	3680014	2.15
				31/03/2020		3680014	2.15
4	NATIONAL INSURANCE COMPANY LTD	1508032	1.32	01/04/2019		1508032	1.32
				01/11/2019	-27138	1480894	1.30
				08/11/2019	-16381	1464513	1.28
				10/01/2020	732256	2196769	1.28
				31/03/2020		2196769	1.28
5	INDIAN SYNTANS INVESTMENTS (P) LTD	1424720	1.25	01/04/2019		1424720	1.25
				26/04/2019	700000	2124720	1.86
				26/04/2019	-700000	1424720	1.25
				03/05/2019	724720	2149440	1.89
				03/05/2019	-724720	1424720	1.25
				10/01/2020	712360	2137080	1.25
				31/03/2020		2137080	1.25
6	LIFE INSURANCE CORPORATION OF INDIA	1415008	1.24	01/04/2019		1415008	1.24
				05/04/2019	-5060	1409948	1.24
				12/04/2019	-88219	1321729	1.16
				19/04/2019	-28088	1293641	1.13
				26/04/2019	-73633	1220008	1.07
				03/05/2019	-37623	1182385	1.04
				10/05/2019	-35469	1146916	1.01
				17/05/2019	-6924	1139992	1.00
				24/05/2019	-46502	1093490	0.96
				31/05/2019	-106811	986679	0.87
				07/06/2019	-94306	892373	0.78
				14/06/2019	-29135	863238	0.76
				21/06/2019	-56538	806700	0.71
				28/06/2019	-70826	735874	0.65
				05/07/2019	-34842	701032	0.61
				12/07/2019	-5929	695103	0.61
				19/07/2019	-77735	617368	0.54
				26/07/2019	-74404	542964	0.48
				02/08/2019	-41778	501186	0.44
				09/08/2019	-45288	455898	0.40
				16/08/2019	-86034	369864	0.32
				23/08/2019	-119054	250810	0.22
				30/08/2019	-69796	181014	0.16
				06/09/2019	-181014	0	0.00
				31/03/2020		0	0.00
7	ISHWAR GREWAL	840877	0.74	01/04/2019		840877	0.74

SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 01/04/2019 AND 31/03/2020							
Sl. no	For Each of the top 10 shareholders	Shareholding at the beginning of the Year		Transaction during the year		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	No. of shares	No of Shares	% of total shares of the company
				10/01/2020	420438	1261315	0.74
				31/03/2020		1261315	0.74
8	NIHAR NILEKANI	743952	0.65	01/04/2019		743952	0.65
				31/05/2019	305331	1049283	0.92
				14/06/2019	70000	1119283	0.98
				10/01/2020	1119283	2238566	1.31
				10/01/2020	-559642	1678924	0.98
				31/01/2020	559641	2238565	1.31
				31/01/2020	-559641	1678924	0.98
				31/03/2020		1678924	0.98
9	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC. (DFAIDG)	430028	0.38	01/04/2019		430028	0.38
				26/04/2019	6220	436248	0.38
				21/06/2019	3933	440181	0.39
				28/06/2019	5934	446115	0.39
				19/07/2019	3975	450090	0.39
				10/01/2020	225045	675135	0.39
				06/03/2020	-7174	667961	0.39
				31/03/2020		667961	0.39
10	DIMENSIONAL EMERGING MARKETS VALUE FUND	607516	0.53	01/04/2019		607516	0.53
				26/04/2019	-4758	602758	0.53
				10/05/2019	-14177	588581	0.52
				17/05/2019	-5519	583062	0.51
				24/05/2019	-9288	573774	0.50
				21/06/2019	-7578	566196	0.50
				28/06/2019	-16083	550113	0.48
				10/01/2020	275056	825169	0.48
				24/01/2020	6011	831180	0.49
				31/03/2020	9888	841068	0.49
				31/03/2020		841068	0.49

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Shri Prabal Basu				
	At the beginning of the year	440	0.00	440	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer / Bonus / sweat equity etc):	30 th December, 2019 220 shares were allotted as Bonus shares	0.00	660	0.00
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	660	0.00

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding Deposits Rs. (in Lakh)	Unsecured Loans Rs. (in Lakh)	Deposits Rs. (in Lakh)	Total Indebtedness Rs. (in Lakh)
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,367.26	NIL	NIL	1,367.26
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1,367.26	NIL	NIL	1,367.26
Change in Indebtedness during the financial year (net)				
• Addition	NIL	NIL	NIL	NIL
• Reduction (Net of re-classification)	95.91	NIL	NIL	95.91
Net Change	95.91	NIL	NIL	95.91
Indebtedness at the end of the financial year				
i) Principal Amount	1,271.35	NIL	NIL	1,271.35
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1,271.35	NIL	NIL	1,271.35

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager						Total Amount Rs.
		Shri Prabal Basu (01/04/19-31/03/20) Rs.	Shri D. Sothi Selvam (01/04/19-31/03/20) Rs.	Shri K Swaminathan (01/04/19-31/03/20) Rs.	Shri S S Khuntia (01/04/19-31/03/20) Rs.	Shri Adika Ratna Sekhar (01/04/19-31/03/20) Rs.	Shri Adhip Nath Palchaudhuri (01/03/20-31/03/20) Rs.	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	58,94,205	48,95,890	49,92,735	58,08,787	41,70,169	3,22,527	2,60,84,313
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,69,970	3,88,779	1,66,111	4,39,642	6,10,479	48,408	27,23,389
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	--	--	--	--	--	--	--
3.	Sweat Equity	--	--	--	--	--	--	--
4.	Commission - as % of profit - others, specify	--	--	--	--	--	--	--
5.	Others, please specify	--	--	--	--	--	--	--
	Total (A)	69,64,175	52,84,669	51,58,846	62,48,429	47,80,648	3,70,935	2,88,07,702
	Ceiling as per the Act	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	11% of Net profits

B. Remuneration to other Directors: (In Rs.)

Sl. no.	Particulars of Remuneration	Name of Director									Total Amount
		Smt. Atreyee Borooh Thekedath	Shri Sunil Sachdeva	Shri Vikash Preetam	Shri Arun Tandon	Shri Arun Kumar	Shri Anil Upadhyay	Shri BD Shivahare	Smt. Perin Devi Rao	Shri Vijay Sharma	
1.	Independent Directors • Fee for attending Board/Committee Meetings • Commission • Others, please specify	1,80,000	2,25,000	1,30,000	1,80,000	75,000	95,000	70,000	-	-	9,55,000
2.	Total (1)	1,80,000	2,25,000	1,30,000	1,80,000	75,000	95,000	70,000	-	-	9,55,000
3.	Other Non-Executive Directors • Fee for attending Board/Committee Meetings • Commission • Others, please specify	-	-	-	-	-	-	-	-	-	-
4.	Total (2)	-	-	-	-	-	-	-	-	-	-
5.	Total (B)= (1+2)	1,80,000	2,25,000	1,30,000	1,80,000	75,000	95,000	70,000	-	-	9,55,000
	Total Managerial Remuneration	1,80,000	2,25,000	1,30,000	1,80,000	75,000	95,000	70,000	-	-	9,55,000
	Overall ceiling as per the Act	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (in Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO	Company Secretary	Total
		Shri Prabal Basu (01/04/2019-31/03/2020)	Shri S S Khuntia (01/04/2019-31/03/2020)	Ms. Kavita Bhavsar (01/04/2019-31/03/2020)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	For the year 2019-20 Shri Prabal Basu was the CEO. However, he did not receive any additional remuneration for acting as a CEO	For the year 2019-20 Shri Khuntia was the CFO. However, he did not receive any additional remuneration for acting as a CFO	41,89,765 4,32,908	41,89,765 4,32,908
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify.	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total	--	--	46,22,673	46,22,673

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE

[Forming part of the Board's Report for the year 2019-20]

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 it remains a Government Company, the President of India shall have the right to appoint one or more Directors on the Board of the Company to hold office for such period and upon such terms and conditions as the President may from time to time decide.

As on 31st March, 2020, the Board of the Company consisted of Twelve (12) Directors under the following categories:

- Four (4) Functional / Executive / Whole-time Directors;

- Six (6) Independent Directors and
- Two (2) Non-executive Government Nominee Directors (Out of which one is Woman Director).

A brief profile of the Directors of the Company as on the date of signing of this report is set out as under:

Shri Prabal Basu (DIN 06414341)

Chairman & Managing Director

Shri Prabal Basu was appointed as a Whole-time Director and he assumed office as Director (Finance) on 1st December, 2012 based on direction of the MoPNG. He was further appointed by the members at the 96th Annual General Meeting (AGM) held on 24th September, 2013. Subsequently, upon direction of the MoPNG, Shri Prabal Basu was appointed as Chairman & Managing Director (C&MD) of the Company with effect from 1st August, 2015. His appointment was further confirmed by the members at the 98th AGM held on 22nd September, 2015 and was re-appointed at the 100th AGM held on 14th September, 2017. Shri Basu was entrusted additional charge of Director (Finance) for the period 1st August, 2015 till 27th March, 2016 due to vacancy created for the post of Director (Finance). Shri Basu was also entrusted upon the additional charge of Director (HR& CA) from 1st February 2018 till 30th April 2018 being period of vacancy created due to retirement of the erstwhile Director (HR& CA) and was further re-appointed on the 102nd AGM held on 18th September, 2019.

Shri Basu is a Bachelor of Commerce, a qualified Chartered Accountant (ACA), a qualified Company Secretary (ACS) and a qualified Cost & Management Accountant (ACMA). During the year 2015-16, he further completed one year Executive Program in General Management from the Sloan School of Management, MIT, USA. He has a working experience

of 34 years during which he has developed expertise in the functional areas of Accounts & Finance, Taxation, Information Technology, ERP implementation and in various aspects of General Management.

Shri Basu also holds position of non-executive Director on the Board of Balmer Lawrie-Van Leer Limited and Avi-Oil India (P) Limited, Balmer Lawrie (UAE) LLC – joint ventures of the Company and on Balmer Lawrie (UK) Ltd. – a foreign subsidiary of the Company.

Shri Basu holds 660 equity shares of the Company.

Shri Adika Ratna Sekhar (DIN 08053637)

Director (Human Resource & Corporate Affairs)

Shri Adika Ratna Sekhar was appointed as a Whole-time Director of the Company on 29th May, 2018 by the Board of Directors and he assumed office as Director (Human Resource & Corporate Affairs) based on the direction of the MoPNG. He was further appointed as Director (Human Resource and Corporate Affairs) at the 101st AGM of the Company held on 12th September, 2018.

Shri Ratna Sekhar is a Master of Social Work with specialization in Personnel Management, Industrial Relations & Labour Welfare from Osmania University.

Shri Ratna Sekhar 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 Ratna Sekhar has over 32 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.

Shri Ratna Sekhar also holds additional charge of Managing Director on the Board of Biecco Lawrie Limited, a CPSE under the Ministry of Petroleum and Natural Gas.

Shri Adhipnath Palchaudhuri (DIN 08695322)

Director (Service Businesses)

Shri Adhipnath Palchaudhuri was appointed as a Whole-time Director of the Company on 4th February, 2020 by the Board of Directors, based on the direction of the MoPNG. He assumed office as Director (Service Businesses) with effect from 1st March, 2020.

Shri 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 26 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 Palchaudhuri had worked with a wide variety of organizations in the IT Services/Consulting field in India and abroad.

Shri Palchaudhuri also holds position of Non-Executive Director in Visakhapatnam Port Logistics Park Limited,

Balmer Lawrie & Co. Ltd.

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 a Whole-time Director of the Company on 4th February, 2020 by the Board of Directors, based on the direction of the MoPNG. He assumed office as Director (Finance) with effect from 1st May, 2020.

Shri Das is a Bachelor of Commerce from St. Xavier's college, Kolkata and a member of Institute of Chartered Accountants of India.

Shri Das has more than 20 years of experience in Balmer Lawrie & Co. Ltd. During his career in Balmer Lawrie 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 Das also holds position of Non-Executive Director in Balmer Lawrie Investments Limited, which is holding Company of Balmer Lawrie & Co. Ltd. He is also a director in Visakhapatnam Port Logistics Park Limited and Balmer Lawrie (UK) Limited which are Subsidiaries of Balmer Lawrie & Co. Ltd. He also holds position of Non-Executive Director in Transafe Services Limited, Balmer Lawrie-Van Leer Limited and as Commissioner in PT Balmer Lawrie Indonesia which are Joint Ventures of Balmer Lawrie & Co. Ltd.

Shri Sunil Sachdeva (DIN 00754633)

Independent Director

Shri Sunil Sachdeva had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 4th April 2018 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for the period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Sachdeva is a Bachelor of Commerce (Hons) and

is also a member of the Institute of Cost Accountants of India. He also holds a degree of MBA from BIMTech and he is a member of All India Management Association.

Shri Sachdeva has a working experience of over 28 years wherein he acquired functional expertise in Grease, Lubricants and Travel.

Shri Sachdeva is also a director of Oriental Diesels and Engineering Company Pvt. Ltd. He has one-year job experience in Global Information and Distribution Corporation, Kuwait. He also owned a business under the name and style of Oriental Engg. Co., Varanasi, which was distributor of MICO/Bosch for eastern U.P.

Shri Vikash Preetam (DIN 00910261)

Independent Director

Shri Vikash Preetam had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 28th July, 2018 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Preetam holds a PGDM degree from Asia Pacific Institute of Management, New Delhi. He has also completed LL.B from University of Delhi.

Shri Preetam is also a designated partner of P&B Associates Barrister's & Advocates LLP. He is a Member of Delhi Bar Council and also a member of Supreme Court Bar Association. He takes keen interest in writing articles. He is a member of India International Center, Lodhi Estate, New Delhi and also a member of National Sports Club of India.

Shri Arun Tandon (DIN 08210607)

Independent Director

Shri Arun Tandon had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 12th September, 2018

based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 102nd AGM of the Company held on 18th September, 2019 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Tandon has done B.A and M.A. in Political Science from Allahabad University and also holds a M.Phil. degree in 'International Relations' from Jawahar Lal Nehru University, New Delhi. He was awarded fellowship of Indian Council of Social Science Research (ICSSR) during 1977-79 for research topic 'India's Cultural Diplomacy' for his M.PHIL. During the year 2011, he attended, an Executive Program on Public Sector Leadership and Management in Lee Kwan Yew School of Public Policy in Singapore, designed for IRS officers.

Shri Tandon had joined Indian Revenue Service (IC&CES) in 1979. He has an experience of 34 years in Strategy and execution of matters of Customs, Central Excise, Service Tax and Narcotics. Further, he has an experience of four years in Revenue Intelligence. He also worked as an Assistant Commissioner in Gujarat and Mumbai Airport. In 1991, he was promoted as Joint Commissioner and worked in Coimbatore, Hyderabad and Nagpur. He was further elevated in 2002 as Commissioner and has worked as field Commissioner in Custom, Excise and Service Tax in Nashik, Raigarh and Chennai.

Shri Tandon has also worked in Customs as Commissioner Valuation (India) in Directorate of Valuation (2007-08) headquartered in Mumbai. He has headed Directorate of Revenue Intelligence (DRI) Mumbai (May 2005 to April 2007) and Chennai (May 2008 to May 2010). He has also represented Indian Customs in Customs related Conferences in Hongkong and Nairobi. He has been involved in capacity building of IRS (Probationers).

In 2012, he was promoted as Chief Commissioner Central Excise and Service Tax at Mumbai. He retired

from the services in April, 2013.

After retirement he was appointed as 'Special Counsel' to represent Departmental cases in the Customs Excise and Service Tax Tribunal (CESTAT) in Western India.

Shri Arun Kumar (DIN 03570776)

Independent Director

Shri Arun Kumar had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 18th July, 2019 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 102nd AGM of the Company held on 18th September, 2019 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Kumar holds a degree in Mechanical Engineering from Council of Engineering Institutions, London Part 1 & 2. He also holds a degree in Electrical Engineering from Institute of Engineers of India, Part A & B. Shri Kumar has also completed MA in Economics (correspondence) from Annamalai University.

Shri Kumar started his career in the Indian Railways Service of Mechanical Engineers in 1980. He qualified for the Indian Administrative Service (IAS) in 1983 and served for 17 years with the Government of India. In his last assignment, he has worked as Secretary Ministry of Mines; prior to that he worked as Joint Secretary in the Ministry of Mines, Food processing and as Export Commissioner in Government of India. He also served as, Principal Secretary, Panchayat & Rural Development Assam besides working in various positions in the State Government.

Shri Kumar has worked as a Managing Director in State Enterprises and served on the Boards of NALCO, HCL, MECL as a Government Nominee. He has been instrumental in passing of the amendment to the Mines & Minerals Development & Regulation Act, 1957, in the year 2015, the Food Safety and Standards Act 2006, the establishment of National Institute of Food Technology Entrepreneurship & Management Sonipat, as well as formulation and implementation

Balmer Lawrie & Co. Ltd.

and of programmes at the national level. He has a well-grounded understanding of the economic structure of the Indian economy, the legal and regulatory framework and in particular large industries.

Shri Anil Kumar Upadhyay (DIN 07724769)

Independent Director

Shri Anil Kumar Upadhyay had been appointed as an Additional Director in the designation of an Independent Director on the Board of the Company on 18th July, 2019 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 102nd AGM of the Company held on 18th September, 2019 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Upadhyay has done B.Sc in Zoology, Botany and Chemistry and M.Sc in Botany from Udai Pratap College, Gorakhpur University, Varanasi. He also holds a Post Graduate Diploma (AIFC) in Forestry & Allied Subjects (equivalent to M.Sc in Forestry) from Indian Forest College, Dehradun.

Shri Upadhyay has over 10 years of experience as Joint Secretary and above. He superannuated from Indian Forest Service (IFS) on 28th February, 2017. Prior to his superannuation, he held the position of Additional Principal Chief Conservator of Forests (APCCF)- Liaisoning & Sales, Government of Madhya Pradesh, Delhi.

Shri Upadhyay is having specialization in Biodiversity, Natural Resource Management, Climate Change, Forestry, Rural Planning & Infrastructure Development, Finance & Budgeting, Administration, Wildlife Management, Media Relations, Environment Protection, Forest Conservation, Sales, Marketing, Research & Corporate Governance.

Shri Bhagawan Das Shivahare (DIN 08514350)

Independent Director

Shri Bhagawan Das Shivahare had been appointed as an Additional Director in the designation of an

Independent Director on the Board of the Company on 18th July, 2019 based on the direction received from the MoPNG. He was further appointed as an Independent Director of the Company at the 102nd AGM of the Company held on 18th September, 2019 for a period of 3 years from the date of notification of his appointment or until further orders of the Administrative Ministry, whichever is earlier.

Shri Shivahare is a qualified Chartered Accountant. He has an experience of over 38 years in the profession of Chartered Accountancy. He is a senior partner in M/s. R. Gopal & Associates. He is actively involved in handling major assignments, such as Statutory Audits of various PSUs and PSBs. The areas of involvement have been planning and execution of the audit assignments, participating in discussions with the Audit Committees and Boards. SAIL-Bokaro Steel Plant and Raw Materials Division, South Eastern Coalfields Ltd., Indian Bank, were some of the major assignments handled by him.

Shri Shivahare was also involved in handling Internal/ Systems Audit of BSNL, Mahanadi Coalfields Ltd. and various other PSUs and PSBs. He was also involved in handling tax matters of various Corporate and Non-Corporate clients having diversified business and substantial exposures towards tax.

Shri Shivahare is a senior faculty of the Art of Living and also a motivational speaker and is also involved with various NGOs.

Smt. Perin Devi Rao (DIN 07145051)

Government Nominee Director

Smt. Perin Devi Rao was appointed as additional Director under the category of Government Nominee Director on the Board of the Company on 28th July, 2018 based on direction received from the MoPNG. She was further appointed as the Government Nominee Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period of 3 years with effect from 26th July, 2018 on co-terminus basis or until further orders of the Administrative Ministry, whichever is earlier.

Smt. Perin Devi Rao is currently Director (IFD) in Finance Division of MoPNG – the administrative ministry of the Company.

Shri Vijay Sharma (DIN 08045837)

Government Nominee Director

Shri Vijay Sharma was appointed as additional Director under the category of Government Nominee Director on the Board of the Company w.e.f 15th January, 2018 based on direction received from the MoPNG. He was further appointed as the Government Nominee Director of the Company at the 101st AGM of the Company held on 12th September, 2018 for a period of 3 years with effect from 24th November 2017 (being the date of his

nomination by the Administrative Ministry) on co-terminus basis or until further orders from the Administrative Ministry, whichever is earlier.

Shri Sharma holds a Master’s degree in History. Shri Sharma has a working experience of about 18 years wherein he developed expertise in functional areas of - Administration, Refinery, Excise and Vigilance. Shri Sharma has recently been transferred to a different Ministry. However, an official direction from the administrative Ministry in this regard is awaited.

The composition of Board of Directors as on 31st March, 2020 and the number of other Boards or Committees in which the Director is a member/ Chairperson are enumerated as follows:

Name, designation and category of the Director	Total No. of Directorship in other Companies	Names of the other Listed entities in which the director is a director and the category of directorship	Number of memberships in Committee(s) of other Companies	Number of post of Chairperson in Committee of other Companies
a	b	c	d	e
Shri Prabal Basu Chairman & Managing Director, Executive Director	2	Nil	4	2
Shri Shyam Sundar Khuntia Director (Finance), Executive Director and Chief Financial Officer (Shri Khuntia ceased to be a Director of the Company w.e.f. 30 th April 2020)	5	Balmer Lawrie Investments Limited- Non-executive Director	7	2
Shri Adika Ratna Sekhar Director (Human Resource and Corporate Affairs), Executive Director	0	Nil	0	0
Shri Adhipnath Palchaudhuri Director (Service Businesses), Executive Director	1	0	0	0
Shri Sunil Sachdeva Independent Director, Non-Executive Director	1	0	0	0

Name, designation and category of the Director	Total No. of Directorship in other Companies	Names of the other Listed entities in which the director is a director and the category of directorship	Number of memberships in Committee(s) of other Companies	Number of post of Chairperson in Committee of other Companies
a	b	c	d	e
Shri Vikash Preetam Independent Director, Non-Executive Director	0	0	0	0
Shri Arun Tandon Independent Director, Non-Executive Director	0	0	0	0
Shri Arun Kumar Independent Director, Non-Executive Director	1	Petronet LNG Limited – Independent Director	2	1
Shri Anil Kumar Upadhyay Independent Director, Non-Executive Director	0	0	0	0
Shri Bhagawan Das Shivahare Independent Director, Non-Executive Director	0	0	0	0
Smt. Perin Devi Rao - Government Nominee Director, Non-Executive Director	3	Balmer Lawrie Investments Limited - Government Nominee Director Chennai Petroleum Corporation Limited - Government Nominee Director	8	1
Shri Vijay Sharma Government Nominee Director, Non-Executive Director	1	Mangalore Refinery and Petrochemicals Limited - Government Nominee Director	0	0

Brief profile and other details of the directors of the Company retiring by rotation and directors seeking appointment at the AGM

The brief profile and other details of the directors of the Company retiring by rotation and directors seeking appointment at the AGM is attached to the Notice of the 103rd Annual General Meeting.

Attendance at the Board Meetings during the Financial Year 2019-2020 and at the last Annual General Meeting (AGM)

The Board of Directors met eight (8) times during the Financial Year 2019-2020. Attendance of the Directors at the Board meetings and at the last AGM held during the Financial Year 2019-20 is shown below:

Board Meetings held during the Financial Year 2019-20									Attendance at last AGM
Name of the Director	28 th May 2019	18 th July 2019	13 th August 2019	17 th September 2019	11 th November 2019	7 th December 2019	30 th December 2019	4 th February 2020	18 th September 2019
Shri Prabal Basu	√	√	√	√	√	√	√	√	√
Shri D. Sothi Selvam*	√	√	√	√	√	√	NA	NA	√
Shri K Swaminathan	√	√	√	√	√	√	√	√	√
Shri Shyam Sundar Khuntia	√	√	√	√	√	√	√	√	√
Shri Adika Ratna Sekhar	√	√	√	√	√	√	√	√	√
Smt. Atreyee Borooh Thekedath§	√	√	√	√	√	√	√	NA	√
Shri Sunil Sachdeva	√	√	√	X	√	√	√	√	√
Shri Vikash Preetam	√	√	√	√	X	√	√	√	√
Shri Arun Tandon	√	√	√	√	√	√	√	√	√
Shri Arun Kumar@	NA	NA	√	√	X	√	√	√	√
Shri Anil Kumar Upadhyay##	NA	NA	√	√	√	√	√	√	√
Shri Bhagawan Das Shivahare**	NA	NA	X	√	√	√	√	√	√
Smt. Perin Devi Rao	√	√	√	√	X	√	√	√	√
Shri Vijay Sharma	√	√	√	√	X	√	√	√	√

Notes: * Shri D. Sothi Selvam ceased to be the Director of the Company w.e.f. 16th December, 2019.

§ Smt. Atreyee Borooh Thekedath ceased to be the Director of the Company w.e.f. 31st January, 2020.

@ Shri Arun Kumar has been appointed as an Independent Director on 18th July, 2019.

Shri Anil Kumar Upadhyay has been appointed as an Independent Director on 18th July, 2019.

** Shri Bhagawan Das Shivahare has been appointed as an Independent Director on 18th July, 2019.

Disclosure of relationship between directors inter-se:

Directors do not have any relationship inter-se amongst them.

Number of shares and convertible instruments held by Non-executive Directors:

Name of Non-executive Director	Number of shares held in the Company	Percentage of shares and convertible instruments
Shri Sunil Sachdeva	NIL	NIL
Shri Vikash Preetam	NIL	NIL
Shri Arun Tandon	NIL	NIL
Shri Arun Kumar	NIL	NIL
Shri Anil Kumar Upadhyay	NIL	NIL
Shri Bhagawan Das Shivahare	NIL	NIL
Smt. Perin Devi Rao	NIL	NIL
Shri Vijay Sharma	NIL	NIL

Web link where details of familiarization programmes imparted to Independent Director is disclosed.

https://www.balmerlawrie.com/admin/ls/dl_u/Familiarization_programme_of_Atreyee_Borooah.pdf

https://www.balmerlawrie.com/admin/ls/dl_u/Familiarization_Programme_of_Sunil_Sachdeva.pdf

https://www.balmerlawrie.com/admin/ls/dl_u/Familiarization_programme_of_Shri_Vikash_Preetam_independent_director.pdf

https://www.balmerlawrie.com/admin/ls/dl_u/Familiarization_programme_of_Arun_Tandon.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-b-d-shivahare.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 (MoPNG), the power to appoint Directors (including Independent

Directors) vests with the Government of India. 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) Regulations, 2015 (as amended).

Confirmation regarding Independent Director(s)

As per Section 149(6) of the Companies Act, 2013 read with exemption granted to Government Companies vide Notification No, GSR 463(E) dated 5th June, 2015, an Independent Director is a Director, who in the opinion of the Administrative Ministry is a person of integrity and possesses relevant expertise, experience. As already stated, all the Directors 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 is carried out by the Administrative

Ministry and the Department of Public Enterprises, the Board of Directors is not in a position to give such confirmation as required under para C 2(i) of Schedule V to SEBI (LODR) Regulations, 2015 (as amended).

Reasons of resignation of Independent Director(s)

During the year none of the Independent Director(s) resigned before the expiry of his/her tenure. The directorship of Smt. Atreyee Borooah Thekedath ceased on account of completion of her tenure.

COMMITTEES OF THE BOARD

Audit Committee

Terms of Reference

The terms of reference of the Audit Committee was revised with effect from 1st April, 2019 to make it in line with the Companies Act, 2013, ("the Act"), SEBI (LODR) Regulations, 2015 (as amended) and the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 by Department of Public Enterprises (DPE). The terms of reference (as amended) of the Committee are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgement by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with Listing and other legal requirements relating to financial statements;
 - Disclosure of any Related Party Transactions;
 - Modified opinion(s)/ 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 modification of transactions of the Company with Related Parties;
- xi. Scrutiny of inter-corporate loans and investments;
- xii. Valuation of undertakings or assets of the Company, wherever it is necessary;

- xiii. Evaluation of internal financial controls and risk management systems;
- xiv. Reviewing, with the management, performance of statutory and internal auditors, adequacy of 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., 1st April, 2019);
- xxiv. The Audit Committee shall mandatorily review the following information:
 - Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
 - Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual Statement of funds utilized for purposes other than those stated in the offer document /prospectus/notice in terms of Regulation 32(7).
- xxv. To review the follow up action on the audit observations of the C&AG audit;
- xxvi. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament;

xxvii. Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors;

xxviii. Consider and review the following with the independent auditor and the management:

- The adequacy of internal controls including computerized information system controls and security; and
- Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

xxix. Consider and review the following with the management, internal auditor and the independent auditor:

- Significant findings during the year, including the status of previous audit recommendations.
- Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

xxx. Investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board or pertaining to any activity within its terms of reference and to this purpose, shall have full access to information contained in the records of the Company and external professional advice, if necessary, seek information from any employee in the matter and secure attendance of outsiders with relevant expertise, if considered necessary;

xxxi. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition

During the Financial Year 2019-20, the Audit Committee was reconstituted with effect from 7th December, 2019. The Audit Committee, as on 31st March, 2020 was consisted of five (5) members out of which one was Whole-time Director and four were Independent Directors. Shri Sunil Sachdeva, Independent Director is the Chairperson of the Committee. The composition of the Committee as on 31st March, 2020 was as follows:

- Shri. Sunil Sachdeva, Independent Director-Chairperson
- Shri Vikash Preetam, Independent Director-Member
- Shri Arun Tandon, Independent Director-Member
- Shri Bhagawan Das Shivahare, Independent Director-Member
- Shri Shyam Sundar Khuntia (erstwhile Director Finance)-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 5 (five) times during the Financial Year 2019-20. The details regarding the attendance of the Members at the meetings are enumerated as follows:

Audit Committee Meetings held during the Financial Year 2019-20					
Name of the Members	27th & 28th May, 2019	18th July, 2019	13th August, 2019	11th November, 2019	4th February, 2020
Smt. Atreyee Borooah Thekedath*	√	√	√	√	NA
Shri Sunil Sachdeva	√	√	√	√	√
Shri Vikash Preetam	√	√	√	√	√
Shri Arun Tandon	√	√	√	√	√
Shri Bhagawan Das Shivahare**	NA	NA	NA	NA	√
Shri Shyam Sundar Khuntia	√	√	√	√	√

NOTE: The Audit Committee was reconstituted with effect from 7th December, 2019.

*Smt. Atreyee Borooah Thekedath ceased to be the Director of the Company w.e.f. 31st January, 2020.

**Shri B D Shivahare was appointed as member of the Committee w.e.f. 7th December 2019

Nomination & Remuneration Committee

The Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, all the Directors of the Company are appointed by the MoPNG. 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 30th January, 2009. The said Committee was renamed as "Nomination & Remuneration Committee" on 6th February, 2015. During the financial year 2019-2020, the Committee was reconstituted on 7th December, 2019.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee was revised w.e.f. 1st April, 2019 to make it in line with the Companies Act, 2013, ("the Act"), SEBI (LODR) Regulations, 2015 (as amended) and the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 by the Department of Public Enterprises. The revised terms of reference include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- iii. Devising a policy on Board Diversity;
- iv. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall 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: Your Company being a Government Company, vide Notification No. GSR 463(E) dated 5 June 2015 as amended by Notification No. GSR 582(E) dated 13 June 2017 and notification No. GSR 802(E) dated 23 February 2018, has been exempted from applicability of Sections 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 Enterprises under the administrative jurisdiction of Ministry of Petroleum & Natural Gas also has to follow the similar procedure.

Further, as per Section 149(6) of the Companies Act, 2013 read with exemption granted to Government Companies vide Notification No, GSR 463(E) dated 5th June, 2015, 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 mentioned exemption, serial no. (i), (ii), (iii), (iv), (v), (vi) and (vii) of the terms of Reference would not be applicable.

Composition

As on 31st March, 2020, the Committee consisted of six (6) members, out of which two were Government Nominee Directors and four were Independent Directors. Shri Arun Tandon, Independent Director is the Chairperson of the Committee. The Composition of the Committee as on 31st March, 2020 was as follows:

- i. Shri Arun Tandon, Independent Director - Chairperson
- ii. Shri Sunil Sachdeva, Independent Director – Member
- iii. Shri Vikash Preetam, Independent Director – Member
- iv. Shri Anil Kumar Upadhyay, Independent Director – Member
- v. Smt. Perin Devi Rao, Government Nominee Director - Member
- vi. Shri Vijay Sharma, Government Nominee Director – Member

The Committee held five (5) meetings during the financial year 2019-2020, as detailed hereunder:

Nomination and Remuneration Committee Meetings held during the Financial Year 2019-20					
Name of the Member	27th May 2019	18th July 2019	13th August 2019	11th November 2019	4th February 2020
Smt. Atreyee Borooah Thekedath*	√	√	√	√	NA
Shri Arun Tandon	√	√	√	√	√
Shri Sunil Sachdeva	√	√	√	√	√
Shri Vikash Preetam	√	√	√	X	√
Shri Anil Kumar Upadhyay#	NA	NA	NA	NA	√
Smt. Perin Devi Rao	√	√	√	X	√
Shri Vijay Sharma	X	√	√	X	√

NOTE: The Nomination & Remuneration Committee was reconstituted with effect from 7th December, 2019

*Smt. Atreyee Borooah Thekedath ceased to be the Director of the Company w.e.f. 31st January, 2020.

Shri Anil Kumar Upadhyay was appointed as member of the Committee w.e.f. 7th December 2019.

Remuneration Policy

Balmer Lawrie (BL) is a CPSE under the administrative control of MoPNG and for all purpose we follow the relevant and applicable guidelines. There are four levels under which the matter is dealt with, these are as under:

- a. For Members of the Board
- b. For Executives below the Board Level
- c. For non-Unionised Supervisors
- d. For unionised categories of employee through collective bargaining.

In matters related to the members of the Board, Executives below the Board Level, we are strictly governed by the Department of Public Enterprises [DPE] guidelines, issued from time to time and ensure compliance to all such guidelines and practices. The matter of finalization of remuneration, including wages and benefits of non-Unionised Supervisors is overseen by the Board of BL and it is essentially in line with DPE guidelines as applicable.

For the unionised category the matter is decided based on a 5 years settlement period where the terms are decided based on collective bargaining. In this case the basic premises that governs the boundaries of any agreement is as laid out 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.

The Company being a Government Company, the criteria of independence as per Section 149 of the Companies Act, 2013 is determined by the Administrative Ministry. Hence, the evaluation criteria and such evaluation of Directors is done by the MoPNG.

Remuneration of Directors

- a) There was no pecuniary relationship or transaction of any non-executive director vis-à-vis the Company except the sitting fees paid to the Independent Directors, which has been detailed in this report as well as MGT-9 as attached to the Board's Report.
- b) By virtue of Article 7A of the Articles of Association of the Company, the President of India is entitled to decide the terms and conditions of appointment of the Directors. This, *inter alia*, includes determination of remuneration payable to the Whole-time Directors. Non-Executive Independent Director is entitled to sitting fee for attending the Board and Committee Meetings. The sitting fee has been revised by the Board of Directors w.e.f. 5th February 2020 at Rs.20,000/- (Rupees Twenty Thousand only) per meeting of the Board and at Rs. 15,000/- (Rupees Fifteen Thousand only) for every Committee meeting attended by them. No sitting fee is paid to the Whole-time Director /Non-Whole time Government Nominee Director for the meetings of Board of Directors or Committees attended by them.

Disclosure with respect to remuneration of Directors

1) Details of remuneration paid to Executive Directors (Whole time Directors) during Financial Year 2019-20 are enumerated hereunder:

(All figures in Rs.)

	Shri Prabal Basu	Shri D. Sothi Selvam (01/04/19 -15/12/2019)	Shri Kalyan Swaminathan (01/04/19 -28/02/2020)	Shri Shyam Sundar Khuntia	Shri Adika Ratna Sekhar	Shri Adhip Nath Palchaudhuri (01/03/20 -31/03/20)
Salary and allowances	4984944	4190431	4244857	4937575	3466759	263224
Incentive	260840	175514	200996	248336	197265	16000
Provident Fund	563147	492555	478246	592360	470642	39595
Gratuity	85274	37390	68636	30516	35503	3708
Perquisites	1069970	388779	166111	439642	610479	48408
TOTAL	6964175	5284669	5158846	6248429	4780648	370935
Terms of appointment	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- C-31024 /3/2013-CA(Part-I)/ FTS(39921) dated 7th February, 2019 C-31024/ 3 /2013-CA(Part-I)/ FTS: 39921 dated 23rd October, 2015 C-31024/3/ 2013-CA/ FTS: 26993 dated 18th May 2015	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- C-31024 /7/2012- CA(I)/FTS (36715) dated 1st February, 2019 C-31024 / 7 / 2012- CA (Part -1) / FTS: 36715 dated 4th August, 2016 C-31024 /07 /2012-CA (Part II)/ FTS:40153 dated 29th March 2016 C- 31024/7 /2012- CA /FTS:23176 dated 09th October, 2014	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- C-31024 /2/2013- CA (Part-I)/ FTS (39922) dated 4th February, 2019 C-31024 / 2 / 2013 (Part I) CA FTS: 39922 dated 21st March, 2017 C-31024/ 2 / 2013- CA /FTS:26994 dated 18th May 2015	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- C-31024 /4/2015-CA(II)/FTS (42956) dated 1st February, 2019 C-31024/ 04 / 2015 – CA/ FTS: 39711 dated 22nd March, 2016 C-31024/ 4 / 2015- CA (Part I) / FTS: 39711 dated 7 December 2015	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- CA-31024 /2/2017-PNG (49) dated 4th January, 2019 CA-31024 /2 / 2017-PNG (49) dated 2nd May, 2018	As contained in letter from Ministry of Petroleum & Natural Gas bearing reference no.- CA-31024/1/2018- PNG (23808) dated 20th December 2019

2) Details of remuneration paid to Non-Executive Directors during Financial year 2019-20 are enumerated hereunder:

(All figures in Rs.)

Name of Director	Sitting fees Paid	Total Remuneration	Terms of Appointment
Smt. Atreyee Boroah Thekedath	1,80,000	1,80,000	C-31034/1/2016-CA/FTS:46118 dated 31st January, 2017 and appointment letter dated 15th February, 2017
Shri Sunil Sachdeva	2,25,000	2,25,000	C-31034/2/2017-CA/FTS:49128 dated 8th September 2017 and appointment letter dated 5th April 2018
Shri Vikash Preetam	1,30,000	1,30,000	C-31033/2/2018-CA(22758) dated 24th July, 2018 and his appointment letter dated 2nd August, 2018
Shri Arun Tandon	1,80,000	1,80,000	C-31033/2/2018-CA (22758) dated 3rd August, 2018 and his appointment letter dated 12th September, 2018
Shri Arun Kumar	75,000	75,000	C-31033/2/2018-CA /PNG(25758) dated 12th July, 2019 and his appointment letter dated 23rd July 2019
Shri Anil Kumar Upadhyay	95,000	95,000	C-31033/2/2018-CA /PNG(25758) dated 12th July, 2019 and his appointment letter dated 23rd July 2019
Shri B D Shivahare	70,000	70,000	C-31033/2/2018-CA /PNG(25758) dated 12th July, 2019 and his appointment letter dated 23rd July 2019

(All figures in Rs.)

Name of Director	Sitting fees Paid	Total Remuneration	Terms of Appointment
Shri Vijay Sharma	0	0	C-31033/1/2016-CA/FTS:42979 dated 24 th November, 2017
Smt. Perin Devi Rao	0	0	C-31033/1/2016-CA/FTS:42979 dated 26 th July, 2018
TOTAL	9,55,000	9,55,000	

Notes:

- 1) During the year no stock option was issued by the Company to any Director.
- 2) Performance linked incentives are paid to the whole-time directors as per the DPE Guidelines.
- 3) The remuneration enumerated above does not include – Long Service Award and Post retirement Medical Benefit Scheme which are based on actuarial valuation and are not separately ascertainable for individual directors.
- 4) There was no expenditure debited in the books of accounts, which represent personal expenditure of the Board of Directors and Top Management.
- 5) Severance fee and notice period for the whole-time directors is NIL and the terms of disengagement for the Independent Directors is governed by the terms of the respective appointment letter issued to them.

Stakeholders’ Relationship Committee

As on 31st March, 2020, the Committee consisted of six (6) members. Shri Anil Kumar Upadhyay, Independent Director is the Chairperson of the Committee. The Composition of the Committee as on 31st March, 2020 was as follows:

- i. Shri Anil Kumar Upadhyay, Independent Director - Chairperson
- ii. Shri Sunil Sachdeva, Independent Director-Member
- iii. Shri Vikash Preetam, Independent Director-Member
- iv. Shri Adika Ratna Sekhar, Director (HR & CA)-Member
- v. Shri Shyam Sundar Khuntia, erstwhile Director (Finance) - Member
- vi. Shri Vijay Sharma, Government Nominee Director-Member

A meeting of this Committee was held on 27th May, 2019. All the members of this committee, as per the constitution at that time were present at the said Meeting.

Compliance Officer:

Name : Shri Kaustav Sen
 Designation : Compliance Officer

The investors may lodge their complaint / grievance, if any, at the e-mail address: sen.k@balmerlawrie.com

Status of investor complaints:

Pending at the beginning of the year as on 1 st April 2019	NIL
Received during the year	507
Disposed of during the year*	507
Remaining unresolved at the end of the year as on 31 st March, 2020	NIL
Complaints not solved to the satisfaction of shareholder*	0

**Since the complaints have been resolved and the concerned shareholder has not signified his/her dissatisfaction, hence it is presumed that the said complaints have been resolved to the satisfaction of the respective shareholders.*

General Body Meetings

Details of the last three Annual General Meeting(s) (AGM) held by the Company are enumerated as under:

DATE AND TIME	VENUE	MEETING NUMBER	SPECIAL RESOLUTION PASSED IN PREVIOUS 3 AGMS
18 th September, 2019 at 10.30 a.m.	Ghanshyam Das Birla Sabhagar 29, Ashutosh Choudhury Avenue, Kolkata – 700 019	102 nd Annual General Meeting	No special resolution was passed at the 102 nd Annual General Meeting.
12 th September, 2018 at 10.30 a.m.	Ghanshyam Das Birla Sabhagar 29, Ashutosh Choudhury Avenue, Kolkata – 700 019	101 st Annual General Meeting	One Special Resolution was passed at the 101 st AGM for increase in Authorized Share Capital and consequent amendment in Memorandum of Association.
14 th September, 2017 at 10.30 a.m.	Ghanshyam Das Birla Sabhagar 29, Ashutosh Choudhury Avenue, Kolkata – 700 019	100 th Annual General Meeting	One Special Resolution was passed at the 100 th AGM for fixation of fee for delivery of document through a particular mode.

Special Resolutions passed in last year through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2019-20.

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 2019-20 were published in the newspapers, The Financial Express (English), AajKaal (Bangla) and Jansatta (Hindi).
- The financial results and other corporate announcements issued by the Company and other shareholder’s information is posted on the Company’s website at https://www.balmerlawrie.com/static/corporate_announcements.
- The investors may lodge their complaint/grievance, if any, at sen.k@balmerlawrie.com.
- Official news releases are also available on the Company’s website viz. www.balmerlawrie.com.
- All communications relating to share registry matters may be addressed to:

<p>KFin Technologies Private Limited, Apeejay House Block “C”, 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900 or KFin Technologies Private Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana–500032, Tel: 040-67161500, Toll free No. 1800 3454001, Email: einward.ris@kfintech.com, website: www.kfintech.com.</p>	<p>Balmer Lawrie & Co. Ltd. Secretarial Department, 21, Netaji Subhas Road, Kolkata-700001 Phone-(033) 2222 5329 E-mail: sen.k@balmerlawrie.com</p>
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General Shareholders' Information

Day, Date & Time	Friday, 25 th September, 2020 at 12.noon. IST	
Venue	The Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 and SEBI vide its Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79, permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. Accordingly, the 103 rd AGM of the Company is being held through VC/OAVM and the detailed instructions for participation and voting at the meeting is available in the notice of the 103 rd AGM.	
Financial year	1 st April, 2019 to 31 st March, 2020.	
Book Closure Dates	From: 19 th September 2020, Saturday To: 25 th September 2020, Friday.	(both days inclusive)

Dividend Payment Date

Upon declaration at the ensuing 103rd Annual General Meeting scheduled on 25th September, 2020, dividend shall be paid to those shareholders holding shares as on 18th September, 2020, (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 st March, 2020 (In Rs.)	% of unclaimed Dividend to total dividend	Due date of transfer to the "Investors' Education and Protection Fund" *	Type of Dividend
24 th September, 2013 2012-13	50,16,11,281.60	46,53,171	0.93	31 st October 2020	Final
25 th September, 2014 2013-14	51,30,11,538.00	31,83,912	0.62	1 st November 2021	Final
22 nd September, 2015 2014-15	51,30,11,538.00	40,04,550	0.78	29 th October 2022	Final
22 nd September 2016 2015-16	57,00,12,820.00	49,49,700	0.87	29 th October 2023	Final
14 th September 2017 2016-17	79,80,17,948.00	73,16,911	0.92	21 st October 2024	Final
12 th September, 2018 2017-18	114,00,25,640.00	99,42,760	0.87	19 th October, 2025	Final
18 th September, 2019 2018 - 19	125,40,28,204.00	118,94,817	0.95	25 th October 2026	Final

* These are indicative dates. Actual Deposit dates may vary but would be as per Sections 124 & 125 of the Companies Act, 2013 read with the applicable Rule(s).

Payment of Dividend through Electronic Mode

The electronic mode of payment brings in further efficiency and uniformity in credit of the dividend amount. The advantages of electronic mode over physical mode includes faster credit of remittance to beneficiary's account, wider coverage with no limitations of location in India.

Your Company accordingly encourages the use of electronic mode for payment of dividend wherever available. To avail such facility the shareholders, are

requested to fill-in the mandate form thereby providing the MICR and IFSC code number of their bank and branch along with the bank account number and other details to the Registrar & Share Transfer Agent of the Company, (where the shares are being held in physical form) or to their Depository Participant (where the shares are being held in dematerialized mode) on or before 18th September 2020, (end of day).

This would facilitate prompt encashment of dividend proceeds and also enable the Company to reduce cost of dividend distribution.

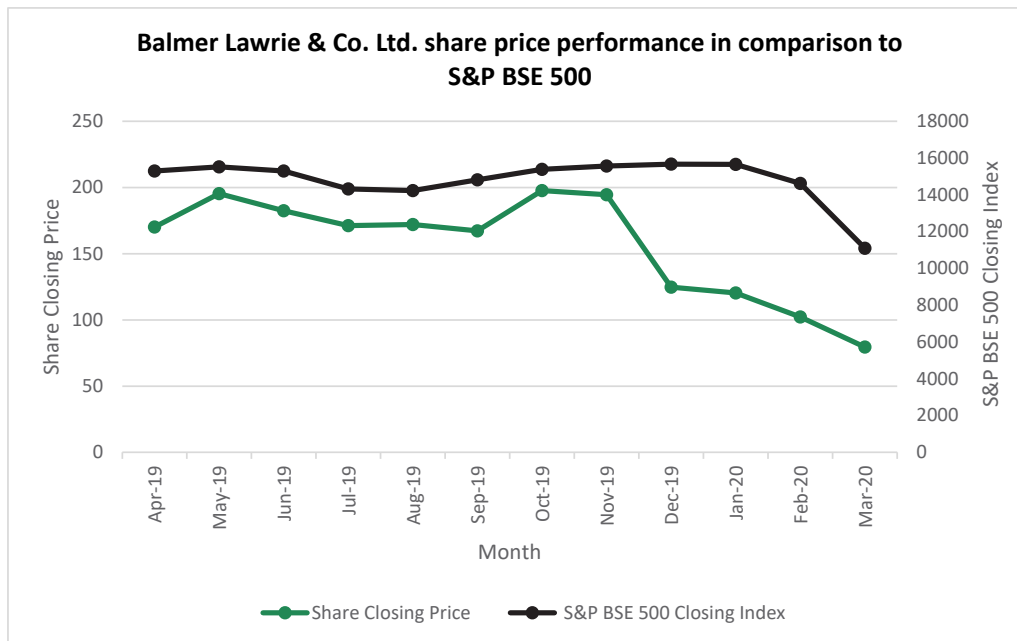
Stock Exchanges where the equity shares of the Company are listed and other related information

Name and address of the Stock Exchanges	Stock code	Confirmation about payment of Annual Listing Fee for Financial Year 2019 - 20 to the Stock Exchanges
National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	BALMLAWRIE	Yes
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	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 2019 to March 2020)

Month	National Stock Exchange of India Limited		BSE Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April-19	178.00	161.10	189.95	169.00
May-19	203.00	163.00	203.40	161.65
June-19	197.45	177.90	196.80	178.00
July-19	184.90	168.10	185.45	168.10
August-19	178.00	161.10	177.00	162.50
September-19	192.50	165.00	191.20	165.30
October-19	213.30	163.50	212.00	160.00
November-19	210.65	188.00	210.20	188.10
December-19	199.70	124.50	199.75	124.50
January- 20	136.00	117.30	136.00	120.00
February-20	123.60	100.60	123.15	100.90
March-20	106.00	69.00	105.25	69.85

Market Price of the Equity Shares of the Company vis-a-vis the S&P BSE 500



Registrar & Share Transfer Agent

At present, the share registry functions, in both physical and de-mat segments are handled by a single common agency, namely:

- **KFin Technologies Private Limited**, Apeejay House Block “C”, 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900

or

- **KFin Technologies Private Limited**, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032. Tel: 040-67161500, Toll free No. 1800 3454 001, Email: einward.ris@kfintech.com, website: www.kfintech.com.

Share Transfer System

The physical share transfer procedure and miscellaneous share registry matters are overseen by KFin Technologies Private Limited, the Registrar and Share Transfer Agent of the Company.

Distribution of Shareholding as on 31st March, 2020 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	11,043	0.01
Financial Institutions / Banks	98,20,386	5.74
Foreign Portfolio Investors	25,80,308	1.51
Central Government / State Government(s) / President of India	42,210	0.02
Others	15,85,49,899	92.72
Total	17,10,03,846	100.00

Distribution of Shareholding Report (NSDL+ CDSL+ Physical) on the basis of number of Equity shares held as on 31st March, 2020:

Distribution of Shareholding ALL (NSDL+ CDSL+ Physical)							
SL. No.	Shareholding of Shares			Number of Shareholders	% of Total Shareholders	Number of Shares	% of Total Share Capital
1	1	to	500	44955	75.70	5766768	3.37
2	501	to	1000	6366	10.72	4484156	2.62
3	1001	to	2000	3985	6.71	5486206	3.21
4	2001	to	3000	1463	2.46	3684974	2.16
5	3001	to	4000	588	0.99	2055756	1.20
6	4001	to	5000	456	0.77	2049108	1.20
7	5001	to	10000	849	1.43	5886546	3.44
8	10001	and	above	722	1.22	141590332	82.80
			TOTAL:	59384	100.00	171003846	100.00

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 31st March 2020, the distribution of Equity Shares held in physical and dematerialized mode, are produced below:

Percentage of physical and dematerialized shares as on 31st March, 2020

Type of shares	%
Physical	01.39
Dematerialized	98.61
TOTAL:	100.00

Your Company, has paid the annual custody fee for the Financial Year 2019-20 to both the Depositories, i.e., NSDL & CDSL.

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk & hedging Activities

The details of 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 Location:

Name of the business	Location	Location
Greases & Lubricants	<u>Manufacturing Units:</u> Chennai Kolkata Silvassa <u>Application Research Laboratory:</u> Kolkata	<u>Marketing Offices:</u> Bengaluru Bhopal Chandigarh Chennai Coimbatore Hyderabad Jaipur Kolkata Mumbai New Delhi Patna Pune Raipur Vadodara
Industrial Packaging	<u>Manufacturing units:</u> Asaoti Chennai Chittoor Kolkata Navi Mumbai Silvassa Vadodara	<u>SBU Office:</u> Mumbai Sales Office: New Delhi
Leather Chemicals	<u>Manufacturing units:</u> Chennai <u>Technical Service Centers:</u> Ambur & Vaniyambadi Kanpur Kolkata Ranipet	<u>SBU Office:</u> Chennai <u>Marketing office:</u> Chennai <u>Product Development Centre:</u> Chennai
Logistics Services	Ahmedabad Bengaluru Chennai Coimbatore Goa Gwalior Hyderabad Kanpur Karur	Kochi Kolkata Mumbai New Delhi Pune Thiruvananthapuram Tuticorin Visakhapatnam

Name of the business	Location	Location
Logistics Infrastructure	<u>Container Freight Station-</u> Chennai Kolkata Navi Mumbai	<u>Warehousing & Distribution-</u> Coimbatore Kolkata- Hide Road Complex, Kolkata- Sonapur
	<u>Temperature Controlled Warehouse</u> Navi Mumbai Rai- Haryana Medchal-Village-Telangana	<u>Integrated Check Post</u> Jogbani- Bihar Raxaul - Bihar
Refinery & Oilfield Services	Kolkata	
Travel	Ahmedabad Bengaluru Bhubaneswar Chennai Delhi Guwahati Hyderabad Kanpur	Kochi Kolkata Lucknow Mumbai New Delhi Port Blair Pune Thiruvananthapuram Vadodara Visakhapatnam
Vacations	Ahmedabad Bengaluru Bhubaneswar Chennai	Hyderabad Kolkata Mumbai Delhi

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 30th December, 2019 is [ICRA] AA+ and the short-term credit rating for the Company reaffirmed by ICRA Limited on 30th December, 2019 is [ICRA] A1+.

The credit rating for the Long-term bank facilities reaffirmed by CARE on 1st October, 2019 is “CARE AA+; Stable” and the credit rating for the short-term bank facilities reaffirmed by CARE on 1st October, 2019 is “CARE A1+”.

Disclosures

- a) Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of listed entity at large.

There were no materially significant Related Party Transactions. None of the RPT had any conflict with interests of the Company.

All the RPT have been detailed in Note no. 42.18 of the Standalone Financial Statements. 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 4th February, 2020, pursuant to amendment in the (Companies Meeting of Board

and its Powers) Rules, 2014 and the same has been uploaded on the website of the Company at https://www.balmerlawrie.com/admins/dl_u/Related_Party_Transaction_Policy_dated_04-02-2020.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.	30 th September, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September 30, 2018.	Fine of Rs. 5,42,800 was imposed by BSE Ltd.
2.	BSE Ltd.	30 th September, 2018	Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of Rs.2,17,120 was imposed by BSE Ltd.
3.	National Stock Exchange of India Ltd.	30 th September, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended September 30, 2018.	Fine of Rs. 5,42,800 was imposed by National Stock Exchange of India Ltd.
4.	National Stock Exchange of India Ltd.	30 th September, 2018	Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of Rs.2,17,120 was imposed by National Stock Exchange of India Ltd.
5.	BSE Ltd.	31 st December, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December 31, 2018.	Fine of Rs. 5,42,800 was imposed by BSE Ltd.
6.	BSE Ltd.	31 st December, 2018	Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended September 30, 2018.	Fine of Rs. 59,000 was imposed by BSE Ltd.
7.	National Stock Exchange of India Ltd.	31 st December, 2018	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended December 31, 2018.	Fine of Rs. 5,42,800 was imposed by National Stock Exchange of India Ltd.
8.	National Stock Exchange of India Ltd.	31 st December, 2018	Non-Compliance of Regulation 18(1) of the SEBI (LODR) Regulations, 2015 pertaining to constitution of Audit Committee for the quarter ended December 31, 2018.	Fine of Rs. 59,000 was imposed by National Stock Exchange of India Ltd.
9.	BSE Ltd.	31 st March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March 31, 2019.	Fine of Rs. 5,31,000 was imposed by BSE Ltd.

Sr. No.	Action taken by	Quarter ended	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.
10	National Stock Exchange of India Ltd.	31 st March, 2019	Non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015 pertaining to the composition of the Board for the quarter ended March 31, 2019.	Fine of Rs. 5,31,000 was imposed by National Stock Exchange of India Ltd.
11.	BSE Ltd.	30 th 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 June 30, 2019.	Fine of Rs. 5,36,900 was imposed by BSE Ltd.
12.	National Stock Exchange of India Ltd.	30 th 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 June 30, 2019.	Fine of Rs. 5,36,900 was imposed by National Stock Exchange of India Ltd.
13.	BSE Ltd.	30 th 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 September 30, 2019.	Fine of Rs. 1,00,300 was imposed by BSE Ltd.
14.	National Stock Exchange of India Ltd.	30 th 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 September 30, 2019.	Fine of Rs. 1,00,300 was imposed by National Stock Exchange of India Ltd.

It may be pertinent to mention that National Stock Exchange of India Ltd. vide its letter bearing reference no. NSE/LIST/SOP/103738 dated 18th March 2020 has waived fine imposed earlier by it for the quarters ended September 2018, December 2018, March 2019, June 2019 and September 2019.

- 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/adminls/dl_u/Whistle_Blower_Policy.pdf
No personnel has been denied access to the Audit Committee during the year.
- d) On and from 9th April, 2010, the Company also introduced a 'Fraud Prevention Policy' with the object of promoting high standards of professionalism, honesty, integrity and ethical behavior. This policy meets the requirements laid down in the Guidelines on Corporate Governance for Public Sector Enterprises, 2010.
- e) All Board Members and Senior Management have affirmed compliance to Code of Conduct as per Regulation 26(3) of the SEBI (LODR). The Company has a Code of Conduct for its Directors and Senior Management Personnel, which is in operation since 2006. The Code had been reviewed and revised by the Board in the Financial Year 2011-12. Declaration by the CEO, i.e., Chairman & Managing Director to this effect has been set out in the Annual Report.
- f) The Company has, with effect from 27th May, 2015, introduced "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to Regulate, Monitor and Report Trading by Insider" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Codes have been amended w.e.f. 1st April, 2019 to bring them in line with the amendments in SEBI (Prohibition of

Balmer Lawrie & Co. Ltd.

Insider trading) Regulations, 2015 and the same is now called “Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relative of Designated Persons”.

- g) Pursuant to SEBI (LODR) Regulations, 2015, the Company has obtained Certificate from the Statutory Auditors on compliance of the conditions of Corporate Governance. A copy of such Certificate is attached as ‘Annexure 5’.
- h) The Company has prepared the financial statements to comply with all material aspects with prescribed Accounting Standards.
- i) The CEO (Chairman & Managing Director) and the CFO have jointly certified to the Board, with regard to reviewing the financial statements, cash flow statements and effectiveness of internal control and other matters as required under SEBI (LODR) for the year ended 31st March, 2020.
- j) The Company, in August 2017 had updated its Enterprise Risk Management Policy to meet the specific requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations. The said policy is posted on the Company’s website viz https://www.balmerlawrie.com/adminIs/dl_u/ERM_Policy01_08_17.pdf
- k) Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015, the Company has obtained a certificate from Shri Debabrata Dutt, Company Secretary in Practice confirming that none of the directors on the Board of the Company as on 31st March, 2020 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 this Certificate is attached as ‘Annexure 7’.
- l) There was no such instances when the Board had not accepted any recommendation of any Committee in the Financial Year 2019-20.
- m) Web link where policy for determining ‘material

subsidiaries’ is disclosed:

https://www.balmerlawrie.com/adminIs/dl_u/Policy_on_Determining_Material_Subsiary-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/adminIs/dl_u/DIVIDEND_DISTRIBUTION_POLICY.pdf
- o) Disclosure of commodity price risks and hedging activities as per Schedule V of SEBI (LODR).
The details of Commodity Price Risk or Foreign Exchange Risk has 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 Auditors is a part, for all services rendered by them is disclosed in Note No. 36 of the Standalone 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 2019-20	NIL
Number of complaints disposed off during the Financial Year 2019-20	NIL
Number of complaints pending as on the end of the Financial Year 2019-20	NIL

- r) Disclosures with respect to demat suspense account/ unclaimed suspense account: Not applicable.

Other Disclosure

- i) Details of Presidential directives issued by the Central Government and their compliance during the year and the last three years: Nil
- ii) Items of expenditure debited 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) Administrative expenses as % of Total expenses

2019-20	-	14.02%
2018-19	-	13.78%

(b) Finance expense as % of Total expenses

2019-20	-	0.58%
2018-19	-	0.35%

The nominal increase in the percentage is mainly on account of interest outgo for borrowings.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

All mandatory requirements of applicable provisions

of the SEBI (LODR) have been complied with. 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 SEBI (LODR):

It is hereby confirmed that the Company has complied with the requirements under Regulations 17 to 27 and Regulation 46 of the SEBI LODR, 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.

For and on behalf of the Board
Balmer Lawrie & Co. Ltd.

Prabal Basu
Chairman & Managing Director

Adika Ratna Sekhar
Director (Human Resource & Corporate Affairs)

Registered Office:
21, Netaji Subhas Road,
Kolkata-700001

Date: 19th August, 2020

Declaration by Chairman & Managing Director (CEO) as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members,
Balmer Lawrie & Co. Ltd.

Sub: Declaration regarding Compliance of the Code of Conduct for the Board Members and Designated Personnel

I, **Prabal Basu, Chairman & Managing Director** of Balmer Lawrie & Co. Ltd. hereby declare that all the members of Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board Members and Designated Personnel within 30 days from the end of 31st March 2020.

Place: Kolkata
Date: 20th April 2020

For **Balmer Lawrie & Co. Ltd.**
Prabal Basu
Chairman & Managing Director
(DIN 06414341)

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Member of

Balmer Lawrie & 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 to 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 year ended on 31st March, 2020, 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.
 - ii) And the Guidelines on Corporate Governance for Central Public Sector Enterprises (the "Guidelines") as issued by the Department of Public Enterprise (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 31st March, 2020 as well as Guidelines issued by the DPE *subject to the minimum number of Independent Directors in the Composition of the Board of Directors of the Company is less than the required number as prescribed under Regulation 17(1)(b) of the Listing Regulations issued by the SEBI and clause 3.1.4 of the Guidelines issued by the DPE for the period 01st April, 2019 to 17th July, 2019 during the year ended 31st March, 2020.*

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: 17th August, 2020

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABS5660

D. DUTT & CO.**Company Secretaries**

Swastic Centre, 3rd Floor, Room No. 3E
P-8, Chowringhee Square, Kolkata – 700 069
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email: debabrata@ddc.org.in

MR - 3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

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

To
The Members,
Balmer Lawrie & Co. Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Balmer Lawrie & Co. Limited (hereinafter called 'the Company') having CIN: L15492WB1924GOI004835. 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 Balmer Lawrie & Co. Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 *subject to our observations made below*, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 [FEMA] and the Rules and Regulations made there under to the extent applicable for Overseas Direct Investment [ODI]. Provisions relating to Foreign Direct Investment [FDI] and External Commercial Borrowings [ECBs] were not applicable since the Company did not have any FDI or ECBs during the year under report;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [not applicable to the Company 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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and/or The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [not applicable to the Company during the audit period];

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [not applicable to the Company during the audit period];
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client [not applicable to the Company during the audit period];
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [not applicable to the Company during the audit period]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [not applicable to the Company during the audit period];
- (v) Other laws applicable specifically to the Company:
 - Guidelines on Corporate Governance for Central Public Sector Enterprises [CPSEs] 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 14th May, 2010
 - The Petroleum Act, 1934
 - The Warehousing (Development and Regulation) Act, 2007

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013 with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).
- (b) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 [Listing Regulations].

During the year under review, and *subject to our observations below*, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above and has generally adhered to the secretarial standards.

In respect of other laws specifically applicable to the Company we have broadly reviewed the same, without carrying out detailed examination of all the relevant records / documents with a view to determine accuracy and completeness of periodical compliances. During the course of our audit, we have relied on internal certifications of chief operating officers of respective strategic business units of the Company and/or information placed before the Board at its meetings and written representations made by the management in this regard and the reporting is limited to that extent.

We further report that:

- (a) *The Company having an Executive Chairperson, at least half of the Board of Directors did not comprised of Independent Directors for the period from 01.04.2019 to 17.07.2019 contrary to the requirements of Regulation 17(1) of the Listing Regulations.* Requisite number of Independent Directors were appointed on 18th July, 2019 by the administrative Ministry. *Subject to above*, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors [Government Nominee Directors] and Independent Directors [appointed by the administrative ministry i.e. Ministry of Petroleum and Natural Gas, Government of India]. The changes in the composition of the Board of Directors that took place during the financial year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notices 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that, based on review of compliance mechanism established by the Company and on the basis of internal certifications of chief operating officers of respective strategic business units / senior level

management personnel of the Company, we are of the opinion 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 have been informed that the Company has appropriately responded to notices for show causes, claims, dues, demands, fines, penalties etc. received from various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

We further report that the Company received letters from BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) imposing fines as per SEBI SOP Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018 due to non-compliance of Regulation 17(1) of the Listing Regulations during the quarter ending 31.03.2019 and from 01.04.2019 to 17.07.2019. The administrative Ministry appointed three Independent Directors on the Board of the Company w.e.f. 18th July, 2019 and thus the Company achieved compliance with required number of independent directors on its Board on that date in compliance with Regulation 17(1) of the Listing Regulations read with Guidelines for Corporate Governance for CPSEs and requested the Stock Exchanges for waiver of fine. NSE has waived the fine vide its letter dated 18th March, 2020. No communication has yet been received from BSE.

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER:
I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824

Place: Kolkata
Dated: 18.08.2020

UDIN No.: F005401B000591888

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.

D. DUTT & CO.

Company Secretaries

Swastic Centre, 3rd Floor, Room No. 3E
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Annexure – A

To
The Members,
Balmer Lawrie & Co. Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2020 of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain proper secretarial records, devise proper systems to endure compliance with the provisions of all Corporate and other applicable laws, rules, regulations, standards and also to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
4. We believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide us a basis of our opinion.

Disclaimer:

5. We have not verified the correctness and appropriateness of financial records, books of accounts, compliances of applicable direct and indirect tax laws of the company.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
8. This Report has been prepared upon receipt / exchange of requisite information and documents mostly through electronic mail during the periods of sporadic lockdown due to Covid-19 pandemic as notified by Government of West Bengal.
9. Due to partial and sporadic lockdown and consequent restrictions on movement, we could not verify all the original records of minutes of meetings of the Board of Directors and its various Committees and/or other relevant papers.

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER:
I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No.-3824

UDIN No.: F005401B000591888

D. DUTT & CO.**Company Secretaries**

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CERTIFICATE OF DISQUALIFICATION / NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V, Para C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Balmer Lawrie & Co. Limited
21, Netaji Subhas Road,
Kolkata – 700 001

1. This certificate is issued in accordance with the terms of our engagement letter dated 04th August, 2020.
2. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Balmer Lawrie & Co. Limited having CIN: L15492WB1924GOI004835 and having its Registered Office at 21, Netaji Subhas Road, Kolkata – 700 001 [hereinafter referred to as 'the Company'], produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para - C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. In our opinion and to the best of our information and according to the verifications (including status of Directors Identification Number(s) [DIN] at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 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:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Sunil Sachdeva	00754633	04/04/2018
2.	Vikash Preetam	00910261	28/07/2018
3.	Arun Kumar	03570776	18/07/2019
4.	Prabal Basu	06414341	01/12/2012
5.	Perin Devi Rao	07145051	28/07/2018
6.	Anil Kumar Upadhyay	07724769	18/07/2019
7.	Vijay Sharma	08045837	15/01/2018
8.	Adika Ratna Sekhar	08053637	29/05/2018
9.	Arun Tandon	08210607	12/09/2018
10.	Bhagawan Das Shivahare	08514350	18/07/2019
11.	Adhip Nath Palchaudhuri	08695322	01/03/2020
12.	Shyam Sundar Khuntia	07475677	28/03/2016

4. Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.
5. 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.

Place: Kolkata
Date: 05.08.2020

For D. DUTT & CO.
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)
Proprietor
FCS-5401
C.P. No. 3824

UDIN No. F005401B000554378

**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 2020, 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 Region of the country.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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>Adoption of Ind AS 116 Leases</p> <p>The Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year, as mentioned in Note No. 1.15 & Note No. 41 to the standalone financial statements. There is a complexity in application and transition to this accounting standard and since the Company has a large number of leases with different contractual terms, it is an area of focus in our audit. Accordingly, it has been determined as a key audit matter.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> • Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116); • Assessed the Company’s evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • Verified the lease contracts as made available to us on sample basis and tested the value of lease, tenure of lease, escalation clause thereon and the restatement methodology adopted by the Company;

Sl. No	Key Audit Matter	Auditor's Response
	<p>The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement.</p> <p>Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term.</p> <p>Additionally, the standard mandates detailed disclosures in respect of transition. (Refer Note No. 41 to the standalone financial statements).</p>	<ul style="list-style-type: none"> • Evaluated the reasonableness of the discount rates applied in determining the lease liabilities; • Assessed the transition approach used by the Company, carve out provisions adopted for short term leases and leases of low value assets, accounting policy adopted for recognition, measurement and disclosure of lease payments, recognition of ROU Assets and Lease Liability, recognition of income and expense in the Statements of Profit & Loss; • Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.
<p>2.</p>	<p>Evaluation of uncertain tax positions</p> <p>The Company has tax matters under dispute which involves judgment to determine the possible outcome of these disputes. [Refer Note No.42.2(a) to the standalone financial statement 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 from 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 uncertainties.</p>
<p>3.</p>	<p>Debtors Due for More than Three years and Credit Balance in Sundry Debtors Accounts (Unallocated Receipts)</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"> • Amount lying in the nature of advance in the customer account; • Amount credited to customer account but the same could not be tracked/linked with any sales invoice. • Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods 	<p>We have checked the debtor's ageing schedule of the SBU's. The authority is regularly following up on the realisation of the same. As is evident from the ageing schedule dues do exist for more than three years against which provision has been made in the accounts.</p> <p>We, during the course of our examination have also checked the unadjusted advances from customers for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases, the management is in the process of reconciliation with the respective parties and hence the process of write back has been kept in abeyance.</p> <p>It is observed that though letters seeking confirmations are sent, the response has been poor. Steps should be taken to get the confirmations from customers. In addition to practice of seeking confirmation annually, the Company should get confirmation through the sales team on a periodical basis also.</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. 42.7 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.42.32 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.
- c) Note No. 23: "Other Trade Payable" includes the sundry creditor for expenses amounting to Rs.322.57 Lakhs (P.Y. Rs.326.75 Lakhs) of E&P Division, Kolkata, which are lying unpaid since long, as the matter is 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, Western and Southern regions included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of **Rs.1,05,740.70 Lakhs** as at 31st March 2020 and the total revenue of **Rs.1,21,828.83 Lakhs** for the year ended on that date, as considered in the standalone financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

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 Direction 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give

in the **Annexure-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**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) 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 42.2 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.

For **B. K. SHROFF & CO.**
Chartered Accountants
Firm Registration No.: 302166E

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABH2213

Place: Kolkata
Date: 24th June, 2020

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 2019-20.

CAG’s Directions	Our Observation	Impact on Financial statements
(1) Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on 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 the lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	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 received/ receivable for specific scheme from Central/State agencies were properly accounted for/utilised as per its term and condition? List the case of deviation.	The company has been sanctioned a Grant – in –Aid of Rs.7.83 crores in earlier year 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 Rs.4.70 crores till 31.03.2020 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.42.71 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

Place: Kolkata
 Date: 24th June, 2020

(L. K. SHROFF)
PARTNER
 Membership No. : 060742
 UDIN: 20060742AAAABH2213

ANNEXURE – B TO THE AUDITORS’ REPORT

ANNEXURE REFERRED TO IN PARAGRAPH (1) UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

- i. In respect of the Company’s fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. The Company has a regular program of physical verification of its fixed assets in a phased manner which in our opinion is reasonable having regard to the size of the company and nature of its assets. As according to the policy of the company, plant & machinery items are verified every year and other items of fixed assets are verified in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
 - c. According to the information and explanations given to us, the records examined by us and

based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned below. In respect of immovable properties of land and building, taken on lease and disclosed as fixed assets under ROU Assets in the standalone financial statements, the lease agreements are in the name of the Company, except as mentioned below.

Due to non – availability of the original title deeds in certain cases of immovable properties mentioned herein below, we are unable to comment whether the respective title/lease deeds are held in the name of the company;

Address of Immovable Property	Status of Document Received
Gopalpur holiday home vill - Gopalpur, Udayapur Mouza Gopalpur, Orissa	Certified Conveyance Deed and Photocopy Agreement
Balmer Lawrie & Co Ltd Village-Piyala Ballabgarh, vill-Asaoti, Dist-Faridabad	Photocopy of Agreement
Batra Centre 27,Ulsoor Road, Bangalore-560042	Certified Copy of Sale Deed
Flat no.601 ,Sea Gull Cooperative Housing Society Ltd (B&C) Sherly Rajan Road, Rizvi Complex, Off Carter Road Bandra (West) Mumbai-400 061	Photocopy: Registration Receipt.
Sea Crest Cooperative Housing Society Ltd Plot No-63,64, Seven Bungalows, Jay Prakash Road, Versova Andheri (west) Mumbai- 400 061	Photocopy of Agreement
Flat No(s) 202, Mount Unique Co-op. Hsg Soc. Ltd. 25, Mount Mary Road, Bandra (West) Mumbai-400 050	Photocopy of Agreement
Flat No. 23A, Meherina Cooperative Housing Society Ltd. Plot No. C-51, Nepean Sea Road, Mumbai-400 026	Photocopy of Agreement and Share Certificate
Flat at BL Housing Complex Plot No. 1-1 & 1-2, Sector 2, Phase II, Nerul, Navi Mumbai-400 706	Photo Copy of MOU with CIDCO
House No(s) H2 & H3, Bokadveera, Uran, Mumbai	Photocopy of Registered Agreement
Balmer Lawrie Grease and Lubricants Division, 149, Jackeria Bunder Road, Sewree (W), Mumbai-400 015	Survey Report and Photocopy of Agreement
Balmer Lawrie Industrial Packaging Division, 149, Jackeria Bunder Road, Sewree (W), Mumbai-400 015	
Balmer Lawrie Survey No 201/1,Sayli Village, Silvassa-396 230	Photocopy of Agreement

Address of Immovable Property	Status of Document Received
Balmer Lawrie Survey No 23/1/1, Khadoli Village, Silvassa-396 230	Photocopy of Agreement
Balmer Lawrie 5, J. N. Heredia Marg, Ballard Estate, Mumbai-400 001	Photocopy of Lease Agreement
Ground Floor, Sadashiv Sadan, Andheri (E), Mumbai-400 099	Photocopy of Agreement
Plot No. F-9/5, Additional Patalganga Industrial Area, Chawane, Taluka- Panvel, Raigad District, Maharashtra	Photocopy of Agreement
FCRR, C G R Road, Dhabitala, Kolkata	Documents not made available to us
Oil Instruction Road, Paharpur, Kolkata	Lease Term expired and applied for renewal
Grease Division P-43, Hide Road Extention, Kolkata-700 088	Certified Copy of Indenture
Scope Complex & Noida Housing Complex Buildings, not registered in the name of the company	Not registered in the name of the company

- ii. According to the information and explanation given to us the inventory of the Company except goods in transit has been physically verified during the year by the management. In our opinion, having regard to the nature and location of inventory, the frequency of verification is reasonable and no material discrepancies were noticed on such verification;
- iii. The Company, during the year, has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, clauses (iii) (a), (b) & (c) 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, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013;
- v. According to the information and explanation given to us, the company has not accepted any deposit 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 record maintained by the Company in respect of the products of Grease and Lubricants, Industrial Packaging & Leather Chemicals where, pursuant to the Companies (Cost records and Audit) Rules, 2014 read with companies (Cost records and Audit) Amendment Rules, 2014 prescribed by the Central Government under section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records for any other product of the Company;
- vii. According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities;
 - The disputed statutory dues of Sales Tax, Service Tax and Central Excise aggregating to Rs.6,419.18 lakhs have not been deposited as mentioned in Note No.42.2(a) to the accounts read with annexure "A" showing the amounts involved and the forum where the dispute is pending;
- viii. The Company has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder;
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, no moneys has been raised by way of initial public offer or further public offer (including debt instruments) and no term loans obtained by the company during the year.

Balmer Lawrie & Co. Ltd.

Therefore, the provisions of clause (ix) of the order are not applicable to the company.

- x. According to the information and explanations given to us, during the year a fraud has been detected in Bangalore unit of the company to the tune of Rs.8.70 Lakhs for which action has already taken by the management and insurance claim has also been lodged with the insurance company under fidelity policy on 17.03.2020.
 - xi. The provisions of section 197 of the Act read with schedule V to the Act does not apply to a Government company vide notification no. GSR 463 E dated 05 June 2015. Accordingly, the provisions of clause (xi) of the order are not applicable to the company.
 - xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order are not applicable to the Company.
 - xiii. According to the information and explanations provided to us and the records of the company
- examined by us, the Company has been able to comply with the requirements of Section 177 in respect of composition of Audit Committee. All transactions of the Company with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statement in Note No. 42.18 (i) and (ii) as required by the applicable accounting standard
- xiv. During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
 - 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 him.
 - xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata
Date: 24th June, 2020

For **B. K. SHROFF & CO.**
Chartered Accountants
Firm Registration No.: 302166E

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABH2213

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, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal

financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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

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

Balmer Lawrie & Co. Ltd.

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. Though certain areas require

further strengthening, it does not have any material effect on the internal financial controls. The internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. SHROFF & CO.**
Chartered Accountants
Firm Registration No.: 302166E

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABH2213

Place: Kolkata
Date: 24th June, 2020

**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 2020**

The preparation of financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2020 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) of the Act is 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 24 June 2020.

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 2020 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on the behalf of the

Comptroller & Auditor General of India

Place : Kolkata
Date : 24.08.2020

(Suparna Deb)
Director General of Audit (Mines)
Kolkata

BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Note No	(₹ in Lakhs)	
		As at 31st March 2020	As at 31st March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	48,084.22	39,667.82
(b) Right of Use Assets	3	8,176.98	-
(c) Capital work-in-progress		2,357.25	11,694.48
(d) Investment Properties	4	108.53	111.39
(e) Intangible assets	5	275.37	391.08
(f) Intangible assets under development		7.00	-
(g) Financial Assets			
(i) Investments	6	12,950.38	14,006.80
(ii) Loans	7	217.62	420.89
(iii) Others	8	69.41	84.81
(h) Non Financial Assets- Others	10	1,131.42	4,449.49
Total Non Current Assets		<u>73,378.18</u>	<u>70,826.76</u>
(2) Current Assets			
(a) Inventories	11	14,505.70	14,293.31
(b) Financial Assets			
(i) Trade Receivables	12	27,295.73	27,619.22
(ii) Cash & cash equivalents	13	2,150.15	4,707.05
(iii) Other Bank Balances	14	42,995.00	39,071.11
(iv) Loans	15	1,243.71	2,030.50
(v) Others	16	20,169.97	24,775.38
(c) Non Financial Assets- Others	17	6,608.27	5,001.39
Total Current Assets		<u>114,968.53</u>	<u>117,497.96</u>
Total Assets		<u>188,346.71</u>	<u>188,324.72</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	17,100.38	11,400.25
(b) Other Equity	19	114,866.36	118,620.19
Total Equity		<u>131,966.74</u>	<u>130,020.44</u>
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	854.14	1,060.94
(ii) Lease Liabilities		1,329.26	-
(iii) Other Financial Liabilities	20	15.19	5.42
(b) Provisions	21	4,321.66	4,014.48
(c) Deferred Tax Liabilities (net)	9	1,059.02	919.24
(d) Non Financial Liabilities-Others	22	12.76	4.89
Total Non Current Liabilities		<u>7,592.03</u>	<u>6,004.97</u>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	152.99	93.00
(ii) Lease Liabilities		1,005.86	-
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	23	328.26	324.16
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	21,457.21	28,981.50
(iv) Other Financial Liabilities	24	12,706.62	13,257.42
(b) Non Financial Liabilities-Others	25	9,782.45	5,213.87
(c) Provisions	26	1,664.93	1,638.56
(d) Current Tax Liabilities (net)	27	1,689.62	2,790.79
Total Current Liabilities		<u>48,787.94</u>	<u>52,299.30</u>
Total Equity and Liabilities		<u>188,346.71</u>	<u>188,324.72</u>

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.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

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

(₹ in Lakhs)

	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
I	28	152,976.97	177,520.27
II	29	8,239.17	7,855.06
III		161,216.14	185,375.33
Expenses			
	30	90,662.82	110,529.72
	31	2,075.61	329.45
	32	(506.63)	343.82
	33	21,411.98	21,247.08
	34	798.67	555.74
	35	4,190.77	2,671.90
	36	19,338.71	21,687.14
		137,971.93	157,364.85
V		23,244.21	28,010.48
VI		-	-
VII		23,244.21	28,010.48
VIII			
	37	5,167.55	8,736.17
	37	359.25	424.13
IX		17,717.41	18,850.18
X			
XI		-	-
XII		-	-
XIII		17,717.41	18,850.18
XIV	38		
		(872.01)	(925.66)
		219.47	323.46
		-	-
		-	-
XV		17,064.87	18,247.98
XVI	39		
		10.36	11.02
		10.36	11.02
XVII			
		-	-
		-	-
XVIII			
		10.36	11.02
		10.36	11.02

Summary of Significant Accounting Policies

1

The accompanying notes are integral part of the financial statements.
This is the statement of Profit and Loss referred to in our report of even date.

As per our report attached

For B. K. Shroff & Co.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff
Partner
Membership No. 060742

Place: Kolkata
Date: 24th June, 2020

Cash Flow Statement for the year ended 31st March 2020

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from Operating Activities		
Net profit before tax	23,244.21	28,010.48
Adjustments for:		
Depreciation and Amortisation	4,190.77	2,671.90
Impairment of Assets	-	19.36
Write off/Provision for doubtful trade receivables (Net)	(147.39)	(102.95)
Write off/Provision for Inventories (Net)	(0.53)	45.80
Other Write off/Provision (Net)	2,128.04	300.82
(Gain)/ Loss on sale of fixed assets (Net)	(19.22)	(6.02)
(Gain)/ Loss on disposal/ sale of Investments (Net)	-	(634.49)
Interest income	(2,595.58)	(2,831.30)
Dividend Income	(3,159.97)	(2,445.75)
Finance costs	798.67	555.74
Operating Cash Flows before working capital changes	24,439.00	25,583.59
Changes in operating assets and liabilities (working capital changes)		
(Increase)/Decrease in trade receivables	470.88	(388.94)
(Increase)/Decrease in non current assets	(4,901.18)	(743.02)
(Increase)/Decrease in inventories	(211.86)	(675.79)
(Increase)/Decrease in other short term financial assets	5,375.37	4,103.12
(Increase)/Decrease in other current assets	(1,703.15)	359.03
Increase/(Decrease) in trade payables	(7,510.42)	(3,017.84)
Increase/(Decrease) in long term provisions	307.18	237.00
Increase/(Decrease) in short term provisions	(540.32)	532.03
Increase/(Decrease) in other liabilities	2,085.04	927.00
Increase/(Decrease) in other current liabilities	5,574.43	(734.27)
Cash flow generated from operations	23,384.97	26,181.92
Income taxes paid (Net of refunds)	(6,268.72)	(8,723.57)
Net Cash generated from Operating Activities	A 17,116.25	17,458.35
Cash flow from Investing Activities		
Purchase/ Construction of Property, Plant and Equipment	(4,581.85)	(13,262.81)
Purchase of Investments	-	(1,162.36)
Proceeds on sale of Property, Plant and Equipment	51.20	33.06
Proceeds on disposal/ sale of Investments	-	1,630.71
Bank deposits (having original maturity of more than three months) (Net)	(3,827.62)	4,064.97
Interest received	2,595.58	2,831.30
Dividend received	3,159.97	2,445.75
Net Cash (used in)/ generated from Investing Activities	B (2,602.72)	(3,419.38)
Cash flow from Financing Activities		
Proceeds from borrowings	59.99	93.00
Repayment of borrowings	(250.00)	(125.00)
Dividend paid (including tax on dividend)	(15,022.30)	(13,685.17)
Loans taken	-	1.92
Loans given	-	(120.00)
Repayment of lease liabilities	(1,059.45)	-
Finance costs	(798.67)	(555.74)
Net Cash (used in)/ generated from Financing Activities	C (17,070.43)	(14,390.99)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,556.90)	(352.02)
Cash and Cash Equivalents at the beginning of the year	4,707.05	5,059.07
Cash and Cash Equivalents at the end of the year	2,150.15	4,707.05
Movement in cash balance	(2,556.90)	(352.02)
Reconciliation of Cash and Cash Equivalents as per cash flow statement		
Cash and Cash Equivalents as per above comprise of the following:		
Cash in hand	9.29	3.75
Balance with banks in current accounts	2,140.86	4,703.30
	2,150.15	4,707.05

As per our report attached

For B. K. Shroff & Co.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

Statement of Changes in Equity for the year ended 31st March 2020

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the reporting period	Bonus shares issued during the year	Balance at the end of reporting period
Equity Share Capital	11,400.25	5,700.13	17,100.38

B. Other Equity

(₹ in Lakhs)

	Reserves and Surplus				Total
	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income (OCI) Reserve	
Balance as at 1 April 2018	3,626.77	35,603.82	74,713.24	242.06	114,185.89
Profit for the year	-	-	18,247.98	-	18,247.98
Bonus shares issued	-	-	-	-	-
Dividends paid	-	-	(11,400.26)	-	(11,400.26)
Dividend Tax paid	-	-	(2,413.43)	-	(2,413.43)
Transfers	-	-	-	-	-
Retained earnings adjustment	-	-	-	-	-
Remeasurement gain/(loss) during the year	-	-	602.20	(602.20)	-
Balance as at 31 March 2019	3,626.77	35,603.82	79,749.73	(360.14)	118,620.19
Balance as at 1 April 2019	3,626.77	35,603.82	79,749.73	(360.14)	118,620.19
Profit for the year	-	-	17,064.87	-	17,064.87
Bonus shares issued	-	(5,700.13)	-	-	(5,700.13)
Dividends paid	-	-	(12,540.29)	-	(12,540.29)
Dividend Tax paid	-	-	(2,578.28)	-	(2,578.28)
Transfers	-	-	-	-	-
Retained earnings adjustment	-	-	-	-	-
Remeasurement gain/(loss) during the year	-	-	652.54	(652.54)	-
Balance as at 31 March 2020	3,626.77	29,903.69	82,348.58	(1,012.68)	114,866.36

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

Prabal Basu

Chairman and
Managing
Director

Sandip Das

Director (Finance)
& Chief Financial
Officer

Adika Ratna Sekhar

Director (HR&CA)

Adhip Nath Palchaudhuri

Director
(Service Businesses)

Kavita Bhavsar

Company
Secretary

CA L. K. Shroff

Partner
Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2020

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 Property, plant & equipment other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, plant & equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Property, plant and equipment is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	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 management's intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

1.4 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Company's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Company has a diversified portfolio of trade receivables from its different segments. Every business segment of the Company has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Company as a whole. The Company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

1.5 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.
- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

1.6 Government grants

- a) Grants from the government are recognised at their

fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

- b) Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.7 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The applicable functional and presentation currency is INR.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

1.8 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions and have identified business segment as its primary segment.

1.9 Provisions, Contingent liabilities and Capital commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their present value where the impact of time value of money is expected to be material.
- b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.
- c) Contingent liabilities pertaining to various government authorities are considered only on

conversion of show cause notices issued by them into demand.

1.10 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

1.11 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

1.12 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

1.13 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-

generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

1.14 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that

are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.15 Leases

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.

For the comparative information (i.e. till March 31, 2019) the Company followed the following accounting policy:

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

1.16 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

Sale of goods

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Services rendered

- a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of project activities: As per the percentage of completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.
- c) In cases where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

Other income

- a) Interest on a time proportion basis using the effective Interest rate method
- b) Dividend from investments in shares on establishment of the Company's right to receive.
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement
- d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The company accounts for volume discounts and pricing incentives to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually

accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the company.

As a practical expedient, as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

Significant payment terms:

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

1.17 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

1.18 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.19 Employee Benefits

(i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet

(ii) Post-employment obligations

Defined Contribution Plans

Provident Fund: the company transfers provident fund contributions to the trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund : the company contributes a sum equivalent to 8% of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit Plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

1.20 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five lacs (₹25 Lacs) shall be considered as material prior period item.
- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior period for which retrospective restatement is practicable (which may be the current period).

Balmer Lawrie & Co. Ltd.

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

Prabal Basu

Chairman and
Managing
Director

Sandip Das

Director (Finance)
& Chief Financial
Officer

Adika Ratna Sekhar

Director (HR&CA)

Adhip Nath Palchaudhuri

Director
(Service Businesses)

Kavita Bhavsar

Company
Secretary

CA L. K. Shroff

Partner
Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note No 2.

Property, Plant and Equipment

Particulars	Property, Plant and Equipment											Total	
	Land - Freehold	Land - Leasehold*	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings		Vehicles
Gross Block													
Balance as at 1 April 2019	2,419.41	3,203.81	15,792.03	17,961.48	21.22	3,108.39	798.73	2,058.13	2,069.99	712.12	614.44	362.87	49,122.62
Transfer to Right of Use Asset*	-	(3,203.81)	-	-	-	-	-	-	-	-	-	-	(3,203.81)
Additions	9.08	-	10,362.49	2,056.42	35.56	515.52	380.37	351.01	236.38	15.15	-	40.39	14,002.37
Disposal of assets	-	-	-	(119.45)	(3.57)	(87.28)	(15.78)	(81.89)	(26.14)	(2.53)	-	(35.43)	(372.07)
Gross Block as at Mar 31 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
Accumulated depreciation													
Balance as at 1 April 2019	-	253.00	1,621.08	3,329.32	10.31	1,266.53	302.24	1,292.04	665.73	306.49	92.56	315.52	9,454.82
Transfer to Right of Use Asset*	-	(253.00)	-	-	-	-	-	-	-	-	-	-	(253.00)
Depreciation charge for the year	-	-	477.04	917.59	3.80	393.55	115.71	318.77	227.51	81.41	71.08	19.42	2,625.88
Disposal of assets	-	-	-	(115.73)	(3.57)	(84.41)	(15.61)	(81.19)	(25.94)	(2.53)	-	(33.83)	(362.81)
Accumulated Depreciation as at Mar 31 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
Net Block as at Mar 31 2020	2,428.49	-	24,056.40	15,767.27	42.67	1,960.96	760.98	797.63	1,412.93	339.36	450.80	66.72	48,084.22
Net Block as at Mar 31 2019	2,419.41	2,950.81	14,170.95	14,632.17	10.91	1,841.86	496.49	766.09	1,404.26	405.63	521.88	47.35	39,667.82

*Consequent to the application of IND AS 116 w.e.f. 1st April, 2019, the balance of Land-Leasehold as appearing in the books have been transferred to Right of Use Assets (Refer Note No. 3).

Note No 3.

Right of Use Assets

(₹ in Lakhs)

Particulars	Right of Use Assets				
	Land - Leasehold*	Buildings	Plant & Machinery	Electrical Equipments	Total
Gross Block					
Balance as at 1 April 2019	-	-	-	-	-
Transfer from Land-Leasehold*	3,203.81	-	-	-	3,203.81
Additions	46.00	5,491.03	1,096.88	30.85	6,664.77
Gross Block as at Mar 31 2020	3,249.81	5,491.03	1,096.88	30.85	9,868.58
Accumulated depreciation					
Balance as at 1 April 2019	-	-	-	-	-
Transfer from Land-Leasehold*	253.00	-	-	-	253.00
Depreciation charge for the year	63.54	736.21	616.33	22.52	1,438.60
Accumulated Depreciation as at Mar 31 2020	316.54	736.21	616.33	22.52	1,691.60
Net Block as at Mar 31 2020	2,933.27	4,754.82	480.55	8.34	8,176.98
Net Block as at Mar 31 2019	-	-	-	-	-

*Consequent to the application of IND AS 116 w.e.f. 1st April, 2019, the balance of Land-Leasehold as appearing in the books have been transferred to Right of Use Assets (Refer Note No. 2).

Note No. 4

Investment Properties

(₹ in Lakhs)

Gross Carrying Amount (Deemed Cost)

As at 1 April 2018

Additions

Disposals/adjustments

Net Investment Property - Reclassified

Balance as at 31 March 2019

Additions

Disposals/adjustments

Net Investment Property - Reclassified

Balance as at 31 March 2020

Accumulated Depreciation

As at 1 April 2018

Depreciation charge for the year

Disposals/adjustments for the year

Investment Property - Reclassified

As at 31 March 2019

Depreciation charge for the year

Disposals/adjustments for the year

Investment Property - Reclassified

Balance as at 31 March 2020

Net Book Value as at 31 March 2020

Net Book Value as at 31 March 2019

118.41

-

-

-

118.41

-

-

(0.14)

118.27

4.87

2.16

-

-

7.03

2.82

-

(0.10)

9.75

108.53

111.39

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2020 or previous year ended 31 March 2019.

(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

Particulars	(₹ in Lakhs)	
	31 March 2020	31 March 2019
Rental income	167.60	244.40
Less: Direct operating expenses that generated rental income	21.98	201.01
Less: Direct operating expenses that did not generated rental income	193.27	103.78
Profit/ (Loss) from leasing of investment properties	(47.65)	(60.38)

(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

Particulars	(₹ in Lakhs)	
	31 March 2020	31 March 2019
Fair value	4,317.73	4,168.59

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Discounted cash flow projections based on reliable estimates of future cash flows.
- Restrictions on remittance of income receipts or receipt of proceeds from disposals.
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
- The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

Note No. 5

Intangible Assets

Particulars	(₹ in Lakhs)		
	Softwares	Brand Value	Total
Gross Carrying Amount			
Balance as at 1 April 2018	745.19	332.63	1,077.82
Additions	18.96	-	18.96
Disposals/adjustments	-	-	-
Balance as at 31 March 2019	764.15	332.63	1,096.78
Additions	7.77	-	7.77
Disposals/adjustments	-	-	-
Balance as at 31 March 2020	771.92	332.63	1,104.55
Accumulated Amortization			
Balance as at 1 April 2018	436.56	114.00	550.56
Amortization charge for the year	117.15	38.00	155.15
Disposals/adjustments for the year	-	-	-
Impairment	-	-	-
Balance as at 31 March 2019	553.71	152.00	705.71
Amortization charge for the year	85.47	38.00	123.47
Disposals/adjustments for the year	-	-	-
Impairment	-	-	-
Balance as at 31 March 2020	639.18	190.00	829.18
Net Book Value as at 31 March 2020	132.74	142.63	275.37
Net Book Value as at 31 March 2019	210.44	180.63	391.08

Note No.6

Financial Assets-Investments (Non-Current) *

(Unquoted, unless otherwise stated)

(₹ in Lakhs)

Name of the Body Corporate	As at 31 March 2020		As at 31 March 2019	
	No of Shares	Amount	No of Shares	Amount
(A) Trade Investments				
<u>Investment in Equity Instruments</u>				
<u>(Fully paid stated at Cost)</u>				
(i) <u>In Joint Venture Companies</u>				
Balmer Lawrie -Van Leer Ltd. (Ordinary Equity Shares of ₹10 each)	8,601,277	3,385.03	8,601,277	3,385.03
Transafe Services Ltd. (Ordinary Equity Shares of ₹10 each)	11,361,999	1,165.12	11,361,999	1,165.12
Less: Provision for diminution in value		(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)	2,000,000	1,027.32	2,000,000	1,027.32
Less: Provision for diminution in value		(1,027.32)	-	-
(ii) <u>In Subsidiary Companies</u>				
Balmer Lawrie (UK) Ltd.*** (Ordinary Equity Shares of GBP 1 each)	100	0.06	100	0.06
Vishakapatnam Port Logistics Park Ltd (Ordinary Equity Shares of ₹10 each)	81,038,978	8,103.90	81,038,978	8,103.90
(iii) <u>In Associate Company</u>				
AVI-OIL India (P) Ltd. (Ordinary Equity shares of ₹10 each)	4,500,000	450.00	4,500,000	450.00
<u>Investments in Preference Shares</u>				
<u>(Fully paid stated at Cost)</u>				
Transafe Services Ltd. (Cumulative Redeemable Preference shares of ₹10 each)	13,300,000	1,330.00	13,300,000	1,330.00
Less: Provision for diminution in value		(1,330.00)		(1,330.00)
Sub Total		12,829.98		13,857.30
(B) <u>Other Investments</u>				
(Fully paid stated at Cost)				
Bridge & Roof Co. (India) Ltd. (Ordinary Equity shares of ₹10 each)	357,591	14.01	357,591	14.01
Biecco Lawrie Ltd (Ordinary Equity shares of ₹10 each)	195,900	-	195,900	-
(Carried in books at a value of ₹1 only), net off Provision for diminution in value				
RC Hobbytech Solutions Pvt. Ltd. Less: Transfer to Incubator (Ordinary Equity shares of ₹1350 each including premium)	5,555	74.99	5,555	74.99
	(1,111)	(15.00)	-	-
Kanpur Flowercycling Pvt. Ltd. Less: Transfer to Incubator (Ordinary Equity shares of ₹9592 each including premium)	626	60.05	626	60.05
	(147)	(14.10)	-	-
Woodlands Multispeciality Hospitals Ltd. (Ordinary Equity shares of ₹10 each)	8,850	0.45	8,850	0.45
Sub Total		120.40		149.50
Total		12,950.38		14,006.80
Aggregate amount of quoted investments at Cost		-		-
Aggregate amount of unquoted investments at cost		12,950.38		14,006.80
Total		12,950.38		14,006.80

*These investments are carried as fair value through Profit and loss and their carrying value approximates their fair value.

** Refer details given in Note No. 42.30 of the notes to accounts for the year.

*** Refer details given in Note No. 42.29 of the notes to accounts for the year.

Note No.7

Financial Assets- Loans (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Secured considered good		
Other Loans	217.62	240.89
Unsecured considered good		
Loans to Transafe Services Ltd.	-	180.00
Doubtful		
Loans to Transafe Services Ltd.	180.00	-
Others	24.92	24.92
Provision for doubtful Loans		
Loans to Transafe Services Ltd.*	(180.00)	-
Others	(24.92)	(24.92)
Total	217.62	420.89

* Refer details given in Note No. 42.18 of the notes to accounts for the year.

Note No.8

Financial Assets- Others (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Unsecured		
Other Receivables- considered good	69.41	84.81
Dues from Transafe Services Ltd. -Doubtful	80.87	80.87
Less : Provision thereof	(80.87)	(80.87)
Total	69.41	84.81

Note No.9

Deferred Tax Liabilities

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Deferred Tax Liability arising on account of :		
Property, Plant and Equipment	(4,682.06)	(6,157.70)
Deferred Tax Asset arising on account of :		
Adjustment for VRS expenditure	-	118.49
Provision for loans, debts, deposits & advances	1,455.12	2,885.22
Defined benefit plans	1,474.31	1,221.38
Provision for Inventory	100.32	139.88
Provision for dimunition in investment	593.29	871.89
Impairment of assets	-	6.77
Others	-	(5.17)
Total	(1,059.02)	(919.24)

Movement in Deferred Tax Liabilities/ Assets

Particulars	As at 31 March 2019	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	(₹ in Lakhs)
				As at 31 March 2020
Property, Plant and Equipment	(6,157.70)	1,475.64	-	(4,682.06)
Adjustment for VRS expenditure	118.49	(118.49)	-	-
Provision for loans, debts, deposits & advances	2,885.22	(1,430.10)	-	1,455.12
Defined benefit plans	1,221.38	33.46	219.47	1,474.31
Provision for Inventory	139.88	(39.56)	-	100.32
Provision for dimunition in investment	871.89	(278.60)	-	593.29
Impairment of assets	6.77	(6.77)	-	-
Others	(5.17)	5.17	-	-
Total	(919.24)	(359.25)	219.47	(1,059.02)

(₹ in Lakhs)

Note No.10

Non Financial Assets - Others (Non - Current)

	As at 31 March 2020	As at 31 March 2019
Security Deposits	683.19	690.46
Capital Advances	119.37	160.84
Balances with Government Authorities	237.62	235.63
Prepaid Expenses	20.73	3,279.27
Others	70.51	83.29
Total	1,131.42	4,449.49

Note No.11

Inventories

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
Raw Materials and Components	9,087.64	9,352.96
Goods-in-transit	0.06	-
Slow moving & non moving	205.59	168.45
Less: Adjustment for slow moving & non moving	(145.96)	(121.06)
Total - Raw Materials and Components	9,147.33	9,400.35
Work in Progress	1,177.56	966.40
Goods-in transit	-	-
Slow moving & non moving	-	-
Less: Adjustment for slow moving & non moving	-	-
Total - Work in Progress	1,177.56	966.40
Finished Goods	3,289.08	2,882.55
Goods-in transit	30.35	120.74
Slow moving & non moving	143.37	199.05
Less: Adjustment for slow moving & non moving	(83.08)	(118.09)
Total - Finished Goods	3,379.72	3,084.25
Stores and Spares	740.10	770.82
Slow moving & non moving	230.55	232.64
Less: Adjustment for slow moving & non moving	(169.56)	(161.15)
Total - Stores and Spares	801.09	842.31
Total	14,505.70	14,293.31

[Refer to Point No.1.5 of “Significant Accounting Policies” for method of valuation of inventories]

Note No.12

Trade Receivables

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
Considered good- Unsecured	27,295.73	27,619.22
Trade Receivables- credit impaired	1,468.11	1,279.07
Less: Provision for Impairment	(1,468.11)	(1,279.07)
Grand Total	27,295.73	27,619.22
Trade receivables outstanding for a period less than six months		
Considered good- Unsecured	25,063.81	24,928.52
Trade Receivables- Credit Impaired	8.64	81.90
Less: Provision for Impairment	(8.64)	(81.90)
Sub Total	25,063.81	24,928.52
Trade receivables outstanding for a period exceeding six months		
Considered good- Unsecured	2,231.92	2,690.70
Trade Receivables- Credit Impaired	1,459.47	1,197.17
Less: Provision for Impairment	(1,459.47)	(1,197.17)
Sub Total	2,231.92	2,690.70
Total	27,295.73	27,619.22

Note No.13

Cash and Cash equivalents

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Cash in hand	9.29	3.75
Balances with Banks - Current Account	2,140.86	4,703.30
Total	2,150.15	4,707.05

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 2020	(₹ in Lakhs) As at 31 March 2019
Unclaimed Dividend Accounts	459.46	363.19
Bank Term Deposits	42,451.09	38,630.13
Margin Money deposit with Banks	84.45	77.79
Total	42,995.00	39,071.11

Note No.15

Financial Assets - Loans (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Loans Receivables Considered good- Secured Loans (to employees)	54.05	53.45
Loans and advances Considered good- Unsecured Advances to Related Parties *		
Balmer Lawrie Investments Ltd.	12.01	-
Pt. Balmer Lawrie Indonesia	30.56	27.95
Balmer Lawrie Van Leer Ltd.	0.31	55.41
Visakhapatnam Port Logistics Park Ltd	366.37	341.91
Balmer Lawrie UAE LLC	60.13	51.77
	469.38	477.04
Advances to Transafe Services Ltd.	-	353.48
Advances to Transafe Services Ltd.- Doubtful	414.19	-
Less: Provision**	(414.19)	-
Other Advances (to employees)	27.74	30.70
Other Loans and advances	692.54	1,115.83
Total	1,243.71	2,030.49

* Advances to Related Parties are in the course of regular business transactions.

** Refer details given in Note No. 42.18 of the notes to accounts for the year.

Note No.16

Other Financial Assets (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Unsecured		
Accrued Income	2,395.59	2,226.70
Security Deposits	765.38	908.38
Other Receivables -considered good	17,009.00	21,640.30
Other Receivables - considered doubtful	2,865.89	2,758.79
Less: Provision for doubtful other receivables	(2,865.89)	(2,758.79)
Total	20,169.97	24,775.38

Note No.17

Non Financial Assets (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Balance with Government Authorities	2,616.48	915.52
Prepaid Expenses	554.69	685.65
Advance to Contractors & Suppliers - considered good	2,007.72	2,011.60
Advance to Contractors & Suppliers -considered doubtful	764.31	716.06
Less: Provision for Doubtful Advances to Contractors & Suppliers	(764.31)	(716.06)
Other Advances to Related Parties	-	317.31
Others	1,429.38	1,071.31
Total	6,608.27	5,001.39

Note No 18

Equity Share Capital

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Authorised Capital		
300,000,000 (Previous Year 300,000,000) equity shares of ₹ 10 each	30,000.00	30,000.00
	30,000.00	30,000.00
Issued and Subscribed Capital		
114,002,564 (Previous Year 114,002,564) equity shares of ₹ 10 each	11,400.25	11,400.25
57,001,282 Bonus Shares issued during the year (Previous Year Nil)	5,700.13	-
	17,100.38	11,400.25
Paid-up Capital		
114,002,564 (Previous Year 114,002,564) equity shares of ₹ 10 each	11,400.25	11,400.25
57,001,282 Bonus Shares issued during the year (Previous Year Nil)	5,700.13	-
	17,100.38	11,400.25

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2020		As at 31 March 2019	
	No of shares	Amount (₹ in Lakhs)	No of shares	Amount (₹ in Lakhs)
Equity shares at the beginning of the year	114,002,564	11,400.25	114,002,564	11,400.25
Bonus shares issued during the year	57,001,282	5,700.13	-	-
Equity shares at the end of the year	171,003,846	17,100.38	114,002,564	11,400.25

b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholders holding more than 5% shares in the Company (equity shares of ₹10 each, fully paid up)

Particulars of the Shareholder	As at 31 March 2020		As at 31 March 2019	
	No of shares	% holding	No of shares	% holding
Balmer Lawrie Investments Ltd.	105,679,350	61.80%	70,452,900	61.80%

i) There are no other shareholders holding 5% or more in the issued share capital of the Company.

**Note No 19
Other Equity**

	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Securities Premium	3,626.77	3,626.77
General Reserve	29,903.69	35,603.82
Retained Earnings	82,348.58	79,749.73
Other Comprehensive Income Reserve (OCI)	(1,012.68)	(360.14)
Total (Other Equity)	114,866.36	118,620.19
	As at 31 March 2020	As at 31 March 2019
Securities Premium		
Opening balance	3,626.77	3,626.77
Add: Shares issued during the year	-	-
Sub total (A)	3,626.77	3,626.77
General Reserve		
Opening balance	35,603.82	35,603.82
Less : Bonus Shares issued during the year	(5,700.13)	-
Amount transferred from Retained Earnings	-	-
Sub total (B)	29,903.69	35,603.82
Retained Earnings		
Opening balance	79,749.73	74,713.24
Add : Net profit for the year	17,064.87	18,247.98
Less : Appropriations		
Transfer to General Reserve	-	-
Equity Dividend	(12,540.29)	(11,400.26)
Tax on Equity Dividend	(2,578.28)	(2,413.43)
Re-measurement Gain/(Loss)	652.54	602.20
Other adjustments	-	-
Net surplus in Retained Earnings (C)	82,348.58	79,749.73
Other Comprehensive Income Reserve (OCI)		
Opening balance	(360.14)	242.06
Movement during the year	(652.54)	(602.20)
Sub total (D)	(1,012.68)	(360.14)
Total of Other Equity (A+B+C+D)	114,866.36	118,620.19

Nature and Purposes of Reserves within Other Equity

Securities Premium

Securities Premium represents premium received on issue of shares. This shall be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained Earnings

Retained Earnings are the portion of company's net income that is left out after distributing dividends to shareholders. These are kept aside by the company for reinvesting it in the main business.

Other Comprehensive Income Reserve (OCI)

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income.

Note No.20

Financial Liabilities (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Borrowings*- Secured	854.14	1,060.94
Other Financial Liabilities		
Deposits- Unsecured	15.19	5.42
Total	869.33	1,066.36

*Borrowings- The Company has availed Term Loan of ₹15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 half yearly equal instalments starting from 18 months from the date of 1st drawal.

Note No.21

Provisions (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Actuarial Provision	2,545.40	2,101.81
Long term Provisions	1,776.26	1,912.67
Total	4,321.66	4,014.48

Note No.22

Non Financial Liabilities- Others (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Advance from Customers	8.55	3.55
Others	4.21	1.34
Total	12.76	4.89

Note No.23

Current Liabilities Financial Liabilities (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Borrowings- Secured	152.99	93.00
Trade Payables - Unsecured		
Payable to micro and small enterprises	328.26	324.16
Other Trade Payables	21,457.21	28,981.50
Sub Total	21,785.47	29,305.66
Total	21,938.46	29,398.66

Note No.24

Other Financial Liabilities (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Current Maturities of Long Term Borrowings	264.22	306.32
Unclaimed Dividend *	459.46	363.19
Security Deposits	3,248.58	2,462.59
Payable to Related Party Balmer Lawrie (UK) Ltd.	1,027.32	1,027.32
Less: Liability written back**	(1,027.32)	-
Other Liabilities	8,734.36	9,098.00
Total	12,706.62	13,257.42

* There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund

** Refer details given in Note No. 42.30 of the notes to accounts for the year.

Note No.25

Non Financial Liabilities -Others (Current)

	(₹ in Lakhs)
As at 31 March 2020	As at 31 March 2019
Advance from Customers	1,141.58
Statutory Dues	487.22
Deferred Gain/Income	168.43
Other Liabilities	3,416.64
Total	5,213.87

Note No.26

Current Provisions

	(₹ in Lakhs)
As at 31 March 2020	As at 31 March 2019
Actuarial Provision	432.19
Short term Provisions	1,206.37
Total	1,638.56

Note No.27

Current Tax Liabilities

	(₹ in Lakhs)
As at 31 March 2020	As at 31 March 2019
Provision for Taxation (Net of advance)	2,790.79
Total	2,790.79

Note No.28

Revenue From Operations

	(₹ in Lakhs)
For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of Products	103,556.48
Sale of Services	64,966.03
Sale of Trading Goods	329.45
Other Operating Income	8,668.31
Total	177,520.27

Note No.29

Other Income

	(₹ in Lakhs)
For the year ended 31 March 2020	For the year ended 31 March 2019
Interest Income	
Bank Deposits	2,752.32
Others	232.75
Sub total	2,985.07
Dividend Income	2,410.21
Other Non-operating Income	
Profit on Disposal of Fixed assets	22.28
Profit on Disposal of Investments	634.49
Unclaimed balances and excess provision written back	1,068.77
Gain on Foreign Currency Transactions (Net)	69.55
Miscellaneous Income	664.69
Sub total	2,459.78
Total	7,855.06

Balmer Lawrie & Co. Ltd.

Note No.30

Cost of Materials Consumed & Services Rendered

	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Cost of Materials Consumed	60,194.67	74,752.68
Cost of Services Rendered	30,468.15	35,777.04
Total	90,662.82	110,529.72

Note No.31

Purchase of Trading Goods

	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Trading Goods	2,075.61	329.45
Total	2,075.61	329.45

Note No.32

Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Change in Finished Goods	Opening	3,084.25
	Closing	3,379.72
Change in Work In Progress	Change	(295.47)
	Opening	966.40
	Closing	1,177.56
	Change	(211.16)
Total	(506.63)	343.82

Note No.33

Employee Benefits Expenses

	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Salaries and Incentives	17,055.57	17,444.13
Contribution to Provident & Other Funds	2,441.39	2,187.10
Staff Welfare Expenses	1,915.02	1,615.85
Total	21,411.98	21,247.08

Note No.34

Finance Costs

	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Interest	379.43	401.64
Bank Charges*	138.04	154.10
Interest Cost - Lease Liabilities	281.20	-
Total	798.67	555.74

* 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 2020	For the year ended 31 March 2019
Depreciation on:		
Property, Plant & Equipment	2,625.88	2,514.59
Right of Use Assets	1,438.60	-
Investment Properties	2.82	2.16
Amortisation of Intangible Assets	123.47	155.15
Total	4,190.77	2,671.90

Note No.36

Other Expenses

	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Manufacturing Expenses	1,598.81	1,677.42
Consumption of Stores and Spares	800.42	889.24
Repairs & Maintenance - Buildings	366.16	275.54
Repairs & Maintenance - Plant & Machinery	449.24	414.73
Repairs & Maintenance - Others	622.63	559.92
Power & Fuel	2,356.12	2,561.96
Electricity & Gas	436.88	407.47
Rent	760.23	1,369.77
Insurance	295.63	270.21
Packing, Despatching, Freight and Shipping Charges	3,847.95	4,256.78
Rates & Taxes	160.16	160.59
Auditors Remuneration and Expenses	23.85	24.02
Impairment of assets	-	19.36
Write off of Debts, Deposits, Loan & Advances	194.85	481.97
Provision for diminution in value of Investments	1,027.32	-
Provision for Doubtful Debts & Advances	1,370.10	1,561.07
Fixed Assets Written Off	1.54	12.40
Loss on Disposal of Fixed Assets	2.35	3.86
Selling Commission	295.51	409.89
Cash Discount	278.23	340.22
Travelling Expenses	931.03	975.50
Printing and Stationery	221.94	296.23
Motor Car Expenses	147.45	153.71
Communication Charges	330.76	286.48
Corporate Social Responsibility Expenditure	514.66	516.24
Miscellaneous Expenses	3,792.19	4,538.42
	20,826.01	22,463.00
Less: Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful earlier, now written back	(1,487.30)	(775.86)
Total	19,338.71	21,687.14
Payment to Auditors as:		
Statutory/ Branch Auditors	18.15	18.88
Tax Audit	0.85	0.85
Other Certification	2.75	2.00
Reimbursement of Expenses	2.10	2.29
Total Payment to Auditors	23.85	24.02

Note No. 37
Tax expense

	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax	5,877.55	9,479.39
Deferred tax	359.25	424.13
Prior period	(710.00)	(743.22)
Total	5,526.80	9,160.30

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of **25.168%** (31 March 2019: 34.944%) and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	23244.21	28010.48
At country's statutory income tax rate of 25.168% (31 March 2019: 34.944%)	25.168%	34.944%
Tax Expense	5,850.10	9,787.98
Adjustments in respect of current income tax		
Exempt Dividend Income	(180.20)	(265.14)
Foreign Dividend Income, taxed at a different rate	(182.22)	(288.54)
Non-deductible expenses for tax purposes		
Provisions (net)	499.17	556.43
CSR Expenses	129.53	180.39
VRS Expenses	(85.34)	(183.46)
Depreciation Difference including for ROU assets	(154.47)	6.48
Fixed assets written off and loss on disposals	0.98	6.77
Additional Deduction for R&D expenses in income tax	-	(321.52)
Adjustments in respect of previous years income tax	(710.00)	(743.22)
Total	5,167.55	8,736.17

Note No. 38
Other Comprehensive Income

	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
(A) Items that will not be reclassified to profit or loss		
(i) Remeasurement gains/ (losses) on defined benefit plans	(872.01)	(925.66)
(ii) Income tax relating to items that will not be reclassified to profit or loss	219.47	323.46
(B) Items that will be reclassified to profit or loss		
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
Total	(652.54)	(602.20)

Note No. 39
Earnings per Equity Share

	(₹ in Lakhs except share data)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Net profit attributable to equity shareholders		
Profit after tax	17,717.41	18,850.18
Profit attributable to equity holders of the parent adjusted for the effect of dilution	17,717.41	18,850.18
Nominal value per Equity Share (₹)	10	10
Weighted-average number of Equity Share for EPS*	171,003,846	171,003,846
Basic/Diluted earnings per Share (₹)*	10.36	11.02

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.

*Consequent to the approval of share holders, vide postal ballot, the Company accorded for allotment of 5,70,01,282 Bonus Shares in the proportion of one new equity shares for every two existing equity shares held by the shareholders/ beneficial owners in the Company. Accordingly, a sum of ₹ 5,700.13 Lakhs has been capitalised and transferred from General Reserve to Equity Share Capital Account on allotment of fully paid bonus shares on December 30, 2019. The Earnings Per Share for all the years presented have been adjusted for Bonus issue.

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 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 ₹ 1368.22 Lakhs (₹ 1142.24 Lakhs); Superannuation fund ₹ 679.11 Lakhs (₹ 629.07 Lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 9.38 Lakhs (₹ 16.39 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:

(₹ in Lakhs)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Defined benefit obligation	6,378.65	5,931.59
Fair value of plan assets	5,748.26	5,248.30
Net defined benefit obligation	630.39	683.28

(i) The movement of the Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Opening value of defined benefit obligation	5,931.59	5,531.35
Add: Current service cost	416.13	350.24
Add: Current interest cost	361.53	386.22
Plan amendment : Vested portion at end of period (past service)	-	-
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	400.28	443.68
- changes in financial assumptions	330.48	119.13
Add: Acquisition Adjustment	9.97	-
Less: Benefits paid	(1,071.33)	(899.02)
Closing value of defined benefit obligation thereof-	6,378.65	5,931.59
Unfunded	630.39	683.28
Funded	5,748.26	5,248.30

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions:

Assumptions	As at 31-Mar-2020	As at 31-Mar-2019
Discount rate (per annum)	6.70%	7.60%
Rate of increase in compensation levels/Salary growth rate	6.00%	6.00%
Expected average remaining working lives of employees (years)	11	11

(iii) The reconciliation of the plan assets held for the Company's defined benefit plan from beginning to end of reporting period is presented below:

(₹ in Lakhs)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Opening balance of fair value of plan assets	5,248.30	5,508.91
Add: Contribution by employer	1,125.68	460.64
Return on Plan Assets excluding Interest Income	8.58	(240.90)
Add: Interest income	427.06	418.68
Add: Acquisition Adjustment	9.97	-
Less: Benefits paid	(1,071.33)	(899.02)
Closing balance of fair value of plan assets	5,748.26	5,248.30

(iv) Expense related to the Company's defined benefit plans in respect of gratuity plan is as follows:

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Actuarial (gain)/loss on obligations-changes in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-changes in financial assumptions	330.48	119.13
Actuarial (gain)/loss on obligations-Experience Adjustment	400.28	443.68
Return on Plan Assets excluding Interest Income	8.58	(240.90)
Total expense/ (income) recognized in the statement of Other Comprehensive Income	722.19	803.70

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Current service cost	416.13	350.24
Past service cost (vested)	-	-
Net Interest cost (Interest Cost-Expected return)	(65.53)	(32.46)
Total expense recognized in the Statement of Profit & Loss	350.60	317.78

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31-Mar-2020	As at 31-Mar-2019
Defined benefit obligation	6,378.65	5,931.59
Classified as:		
Non-Current	6,361.58	4,890.65
Current	17.07	1,040.94

	As at 31-Mar-2020	As at 31-Mar-2019
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	435.64	177.78

(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:

Particular	As at 31-Mar-2020	As at 31-Mar-2019
Government of India securities/ State Government securities	47.23%	46.61%
Corporate bonds	45.48%	47.24%
Others	7.29%	6.15%
Total plan assets	100.00%	100.00%

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in 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 2020	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined benefit obligation after change	6,191.00	6,579.00
Original defined benefit obligation	6,378.65	6,378.65
Increase/(decrease) in defined benefit obligation	(187.65)	200.35
Changes in salary growth rate in %	0.50	0.50
Defined benefit obligation after change	6,507.00	6,253.00
Original defined benefit obligation	6,378.65	6,378.65
Increase/(decrease) in defined benefit obligation	128.35	(125.65)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	6,379.00	6,378.00
Original defined benefit obligation	6,378.65	6,378.65
Increase/(decrease) in defined benefit obligation	0.35	(0.65)
Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	6,381.00	6,376.00
Original defined benefit obligation	6,378.65	6,378.65
Increase/(decrease) in defined benefit obligation	2.35	(2.65)

(₹ in Lakhs)

Particulars	31 March 2019	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined benefit obligation after change	5,776.00	6,096.00
Original defined benefit obligation	5,931.59	5,931.59
Increase/(decrease) in defined benefit obligation	(155.59)	164.41
Changes in salary growth rate in %	0.50	0.50
Defined benefit obligation after change	6,034.00	5,832.00
Original defined benefit obligation	5,931.59	5,931.59
Increase/(decrease) in defined benefit obligation	102.41	(99.59)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	5,936.00	5,928.00
Original defined benefit obligation	5,931.59	5,931.59
Increase/(decrease) in defined benefit obligation	4.41	(3.59)
Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	5,962.00	5,901.00
Original defined benefit obligation	5,931.59	5,931.59
Increase/(decrease) in defined benefit obligation	30.41	(30.59)

B. Post Retirement Medical Benefits Scheme (Non-funded)

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependent spouse, parents and children as per applicable rules.

(₹ in Lakhs)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Opening value of defined benefit obligation	406.13	376.60
Add: Current service cost	-	-
Add: Current interest cost	22.02	24.19
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	116.30	109.91
- changes in financial assumptions	33.52	12.05
Less: Benefits paid	(155.06)	(116.62)
Closing value of defined benefit obligation thereof	422.92	406.13
Unfunded	422.92	406.13
Funded	-	-

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Actuarial (gain)/loss on obligations-change in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-change in financial assumptions	33.52	12.05
Actuarial (gain)/loss on obligations-Experience Adjustment	116.30	109.91
Total expense/ (income) recognized in the statement of Other Comprehensive Income	149.82	121.96

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Current service cost	-	-
Net Interest cost(Interest Cost-Expected return)	22.02	24.19
Total expense recognized in the statement of Profit & Loss	22.02	24.19

Assumptions	As at 31-Mar-2020	As at 31-Mar-2019
Discount rate (per annum)	6.70%	7.60%
Superannuation age	60	60
Early retirement & disablement	0.10%	0.10%

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at 31-Mar-2020	As at 31-Mar-2019
Defined benefit obligation	422.92	406.13
Classified as:		
Non-Current	354.64	341.36
Current	68.28	64.77

Sensitivity Analysis

(₹ in Lakhs)

Particulars	31 March 2020	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	409.00	436.00
Original defined benefit obligation	422.92	422.92
Increase/(decrease) in defined benefit obligation	(13.92)	13.08

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	414.00	430.00
Original defined benefit obligation	422.92	422.92
Increase/(decrease) in defined benefit obligation	(8.92)	7.08

(₹ in Lakhs)

Particulars	31 March 2019	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	394.00	418.00
Original defined benefit obligation	406.13	406.13
Increase/(decrease) in defined benefit obligation	(12.13)	11.87

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	397.00	413.00
Original defined benefit obligation	406.13	406.13
Increase/(decrease) in defined benefit obligation	(9.13)	6.87

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 ₹ 141.60 Lakhs (₹ 832.10 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Leave Encashment (Non-funded)	As at 31-Mar-2020	As at 31-Mar-2019
Amount recognized in Balance Sheet:		
Current	172.75	201.36
Non Current	871.57	701.36

Long Service Award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 year of service and thereafter every 5 year of completed service. An amount of ₹ 0.80 Lakhs [₹ (-) 20.19 Lakhs] has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Long Service Award (Non-funded)	As at 31-Mar-2020	As at 31-Mar-2019
Amount recognized in Balance Sheet:		
Current	69.28	60.73
Non Current	417.95	346.57

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of ₹ 240.83 Lakhs (₹ 358.90 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Half Pay Leave (Non-funded)	As at 31-Mar-2020	As at 31-Mar-2019
Amount recognized in Balance Sheet:		
Current	157.45	105.33
Non Current	901.24	712.52

Note No. 41
Leases

(i) Transition to Ind AS 116

Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" (the standard) and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective approach. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at/ for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the erstwhile standard. (Refer note No. 03 and Para 1.15 of the Significant Accounting Policies). The effect of this adoption is decrease in profit before tax by ₹ 155.62 Lakhs during the year ending March 31, 2020.

(ii) Amounts recognised in Balance Sheet

(₹ in Lakhs)

Right of Use Liability	As at 31 March 2020				
	Right of Use-Land Leasehold	Right of Use - Others			Total
		Buildings	Plant & Machinery	Electrical Equipments	
Particulars					
Current	-	561.23	436.29	8.34	1,005.86
Non Current	-	1,265.08	64.18	-	1,329.26
Total	-	1,826.31	500.47	8.34	2,335.12

(iii) Reconciliation of Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2020				
	Right of Use-Land Leasehold	Right of Use - Others			Total
	Land Leasehold	Buildings	Plant & Machinery	Electrical Equipments	
Opening Balance of Right of Use Lease Liabilities	-	2,267.21	1,096.51	30.85	3,394.57
Add: Interest Expenses on Lease Liabilities	-	199.49	79.75	1.96	281.20
Less: Rental Expenses paid during the year	-	(640.39)	(675.79)	(24.47)	(1,340.65)
Total	-	1,826.31	500.47	8.34	2,335.12

(iv) Maturity profile of the Lease Liabilities :

(₹ in Lakhs)

Year ended March 31, 2020	Within 1 year	1-3 years	More than 3 years	Total
Lease Liability	1,005.86	754.43	574.83	2,335.12

(v) The following are the amounts recognised in the statement of profit and loss:

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020				
	Right of Use- Land Leasehold	Right of Use - Others			
		Buildings	Plant & Machinery	Electrical Equipments	Total
Depreciation expense of Right of Use assets	63.54	736.21	616.33	22.52	1,438.60
Interest expense on Lease Liabilities	-	199.49	79.75	1.96	281.20
Rent expense in term of short term leases/ low value leases	-	742.36	-	209.77	952.13
Total	63.54	1,678.06	696.08	234.25	2,671.93

(vi) Total cash outflow due to leases

(₹ in Lakhs)

Lease Rentals paid during the year

(1,340.65)

(vii) 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 costing ₹2,427.39 Lakhs (₹2,484.37 Lakhs) and buildings, with written down value of ₹3,349.16 Lakhs (₹3,211.46 Lakhs) are pending registration/mutation.
- (b) Certain buildings & sidings with written down value of ₹7,498.33 Lakhs (₹6,603.58 Lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port trust have expired and are under renewal.
- 42.2 **Contingent Liabilities as at 31st March, 2020 not provided for in the accounts are:**
- (a) Disputed demand for Excise Duty, Income Tax, Sales Tax and Service Tax amounting to ₹6,419.18 Lakhs (₹10,244.37 Lakhs) against which the Company has lodged appeals/petitions before appropriate authorities. Details of such disputed demands as on 31st March, 2020 are given in Annexure – A.
- (b) Claims against the company not acknowledged as debts amounts to ₹943.01 Lakhs (₹1,006.19 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.
- 42.3 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 ₹7,736.22 Lakhs (₹6,613.64 Lakhs).
- 42.4 Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹499.42 Lakhs (₹992.91 Lakhs).
- 42.5 **Details of dues to Micro, Small and Medium Enterprises are as given below:**
- (a) The principal amount remaining unpaid to any supplier at the end of accounting year 2019-20 ₹328.26 Lakhs (₹324.16 Lakhs).
- (b) The interest due thereon remaining unpaid to any supplier at the end of accounting year 2019-20 ₹0.00 Lakhs (₹0.06 Lakhs).
- (c) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 during the accounting year 2019-20 ₹0.53 Lakhs (₹0.02 Lakhs).
- (d) The amount of payment made to the supplier beyond the appointed day during the accounting year 2019-20 ₹0.01 Lakhs (₹2.77 Lakhs).
- (e) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 during the accounting year 2019-20 ₹0.00 Lakhs (₹0.00 Lakhs).

- (f) The amount of interest accrued and remaining unpaid at the end of accounting year 2019-20 ₹0.00 Lakhs (₹0.06 Lakhs).
 (g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 for the year 2019-20 ₹0.00 Lakhs (₹0.06 Lakhs).

42.6 The gross amount of exchange difference credited to Statement of Profit & Loss is ₹217.52 Lakhs (credited ₹366.57 Lakhs) and the gross amount of exchange difference debited to Statement of Profit & Loss is ₹215.28 Lakhs (debited ₹297.02 Lakhs).

42.7 Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.

42.8 **Remuneration of Chairman & Managing Director, Whole time Directors and Company Secretary:**

	₹/Lakhs	
	2019-20	2018-19
Salaries	268.76	(261.64)
Contribution to Provident and Gratuity Fund	33.98	(32.89)
Perquisites	31.56	(33.60)
	334.30	(328.13)

42.9 **Auditors Remuneration and Expenses:**

	₹/Lakhs	
	2019-20	2018-19
Statutory Auditors		
- Audit Fees	5.75	(5.75)
- Tax Audit Fees	0.85	(0.85)
- Other Capacity for Limited Review and other certification jobs	2.75	(2.00)
Branch Auditors		
- Audit Fees	12.40	(13.13)
- Other Capacity	-	-
- Expenses relating to audit of Accounts	2.10	(2.29)
	23.85	(24.02)

42.10 (a) **Stock & Sale of Goods Manufactured (with own materials):**

	₹/Lakhs		
<u>Class of Goods</u>	<u>Opening Value</u>	<u>Closing Value</u>	<u>Sales Value</u>
Greases & Lubricating Oils	2,335.86	2,463.48	31,164.73
	(2,548.44)	(2,335.86)	(37,413.25)
Barrels and Drums	421.86	514.84	50,929.67
	(456.59)	(421.86)	(59,848.81)
Leather Auxiliaries	326.53	401.40	5,991.49
	(102.37)	(326.53)	(6,294.42)
Others including Manufacturing Scrap	-	-	-
	(-)	(-)	(-)
	3,084.25	3,379.72	88,085.89
	(3,107.40)	(3,084.25)	(1,03,556.48)

42.10 (b) **Work in Progress:**

	₹/Lakhs
Greases and Lubricating Oils	207.76
	(175.52)
Barrels and Drums	829.93
	(643.69)
Leather Auxiliaries	139.87
	(147.19)
	1,177.56
	(966.40)

42.11 Analysis of Raw Materials Consumed (excluding materials supplied by Customers):

	₹/Lakhs
Steel	34,344.57 (43,068.89)
Lubricating Base Oils	11,968.32 (14,549.57)
Additives and other Chemicals	4,405.37 (6,587.84)
Vegetable and other Fats	2,170.21 (2,091.19)
Drum Closures	1,725.04 (2,140.24)
Paints	959.29 (1,184.36)
Paraffin Wax	694.32 (942.44)
Others	3,927.55 (4,188.15)
	60,194.67 (74,752.68)

42.12 Value of Raw Materials, Components and Spare Parts consumed:

	2019-20		2018-19	
	₹/Lakhs	(%)	₹/Lakhs	(%)
Raw Materials				
Imported	1,615.35	2.68	(3,366.62)	(4.50)
Indigenous	58,579.32	97.32	(71,386.06)	(95.50)
	60,194.67	100.00	(74,752.68)	(100.00)
Spare Parts & Components				
Imported	24.74	3.09	(41.60)	(4.68)
Indigenous	775.68	96.91	(847.64)	(95.32)
	800.42	100.00	(889.24)	(100.00)

42.13 **Purchase and Sale of Trading Goods:**

<u>Class of Goods</u>	₹/Lakhs	
	<u>Purchase Value</u>	<u>Sale Value</u>
Bunk Houses	1,828.66 (329.45)	1,901.81 (329.45)
Speciality Containers	246.95 (-)	246.95 (-)
	<u>2,075.61</u> <u>(329.45)</u>	<u>2,148.76</u> <u>(329.45)</u>

42.14 (a) **Value of Imports on C.I.F basis:**

	₹/Lakhs	
	2019-20	2018-19
Raw Materials	1,244.05	(3,011.60)
Components and Spare Parts	73.54	(101.99)
Capital Goods	630.11	(61.08)
	<u>1,947.70</u>	<u>(3,174.67)</u>

42.14 (b) **Expenditure in Foreign Currency:**

	₹/Lakhs	
	2019-20	2018-19
Services	10,433.25	(13,807.18)
Others	138.25	(87.95)
	<u>10,571.50</u>	<u>(13,895.13)</u>

42.14 (c) **Earnings in Foreign Currency:**

	₹/Lakhs	
	2019-20	2018-19
Export of Goods and Components calculated on F.O.B basis as invoiced	1,531.72	(1,831.04)
Interest and Dividend	1,731.61	(1,687.48)
Services	3,477.28	(3,994.13)
	<u>6,740.61</u>	<u>(7,512.65)</u>

Earnings from services exclude deemed exports ₹NIL (₹NIL).

42.15 **Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below:**

	(₹ in Lakhs)				
	2019-20	2018-19	2017-18	2016-17	2015-16
Capital Expenditure	31.50	322.38	106.79	30.41	51.35
Revenue Expenditure	777.76	780.93	628.87	529.29	543.32

42.16 (a) Excess Income Tax provision in respect of earlier years amounting to ₹710.00 Lakhs (₹743.22 Lakhs) has been reversed in the current year.

(b) In pursuance to Section 115BAA of the Income Tax Act, 1961, as amended, the company has the option of shifting to a reduced tax rate effective April 1, 2019 along with a consequent reduction in certain tax incentives and subject to certain conditions. The company evaluated these provisions and have already exercised this option during the current financial year.

42.17 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 is disclosed in Note No. 42.18 below.

42.18 Related Party Disclosures

i) <u>Name of the Related Party</u>	<u>Nature of Relationship</u>
Balmer Lawrie Investments Ltd. (BLIL)	Holding Company
Balmer Lawrie (UK) Ltd.	Wholly owned Subsidiary
Visakhapatnam Port Logistics Park Ltd.	Subsidiary
Transafe Services Ltd.	Joint Venture (*)
Balmer Lawrie - Van Leer Ltd.	Joint Venture
Balmer Lawrie (UAE) LLC	Joint Venture
Avi - Oil India (P) Ltd.	Associate
PT Balmer Lawrie Indonesia	Joint Venture
Shri Prabal Basu, Chairman and Managing Director	Key Management Personnel
Shri D. Sothi Selvam, Director (Manufacturing Business)	Key Management Personnel (Ceases to be a Director wef 16.12.2019)
Shri K. Swaminathan, Director (Service Business)	Key Management Personnel (Superannuated on 29.02.2020)
Shri S. S. Khuntia, Director (Finance)	Key Management Personnel (Superannuated on 30.04.2020)
Ms Atreyee Borooah Thekedath (Independent Director)	Key Management Personnel (wef 13.12.2017 and upto 31.12.2019)
Shri Vijay Sharma (Govt. Nominee Director)	Key Management Personnel (wef 15.01.2018)
Shri Sunil Sachdeva (Independent Director)	Key Management Personnel (wef 04.04.2018)
Ms Kavita Bhavsar, Company Secretary	Key Management Personnel
Shri A. Ratna Sekhar, Director (HR & CA)	Key Management Personnel (wef 02.05.2018)
Shri Vikash Preetam (Independent Director)	Key Management Personnel (wef 28.07.2018)
Shri Arun Tandon (Independent Director)	Key Management Personnel (wef 12.09.2018)
Shri Arun Kumar (Independent Director)	Key Management Personnel (wef 18.07.2019)
Shri Anil Kumar Upadhyay (Independent Director)	Key Management Personnel (wef 18.07.2019)
Shri Bhagawan Das Shivahare (Independent Director)	Key Management Personnel (wef 18.07.2019)
Ms Perin Devi Rao (Govt. Nominee Director)	Key Management Personnel (wef 28.07.2018)
Shri Adhip Nath Palchaudhuri, Director (Service Business)	Key Management Personnel (wef 01.03.2020)

(*) The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the company ceases to have joint control or have any significant influence over TSL and TSL ceases 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 for the year ending 31.03.2020. However, for the year ending 31.03.2019, TSL was considered a Related Party and therefore, the figures of Previous Year ending 31.03.2019 have not been reclassified.

ii) **Notes on Accounts - (Contd.)**

							₹/Lakhs
Transactions with Related Parties							
Type of Transactions	Year	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL	
							Ending
a) Sale of Goods	31/03/20	-	-	12.35	-	12.35	
	31/03/19	-	-	11.58	-	11.58	
b) Purchase of Goods	31/03/20	-	-	1,960.23	-	1,960.23	
	31/03/19	-	-	2,478.63	-	2,478.63	
c) Value of Services Rendered	31/03/20	44.16	-	746.20	-	790.36	
	31/03/19	41.50	-	934.07	0.02	975.59	
d) Value of Services Received	31/03/20	-	-	-	-	-	
	31/03/19	-	-	18.35	-	18.35	
e) Remuneration to Key Managerial Personnel	31/03/20	-	-	-	334.30	334.30	
	31/03/19	-	-	-	328.13	328.13	
f) Income from leasing or hire purchase agreement	31/03/20	-	-	1.08	-	1.08	
	31/03/19	-	-	1.08	-	1.08	
g) Investment in shares as on	31/03/20	-	8,103.96	4,726.02	-	12,829.98	
	31/03/19	-	8,103.96	5,753.34	-	13,857.30	
h) Loans given as on	31/03/20	-	230.03	-	-	230.03	
	31/03/19	-	230.03	423.49	-	653.52	
i) Dividend Income	31/03/20	-	-	2,561.97	-	2,561.97	
	31/03/19	-	-	2,407.06	-	2,407.06	
j) Dividend Paid	31/03/20	7,749.89	-	-	-	7,749.89	
	31/03/19	7,045.29	-	-	-	7,045.29	
k) Interest Income	31/03/20	-	24.39	-	-	24.39	
	31/03/19	-	112.05	98.41	-	210.46	
l) Amount received on a/c. of salaries, etc. of employees deputed or otherwise	31/03/20	15.48	-	-	-	15.48	
	31/03/19	14.79	-	87.89	-	102.68	
m) Net outstanding recoverable as on	31/03/20	12.02	370.65	117.30	-	499.97	
	31/03/19	51.57	342.15	2,350.88	-	2,744.60	
n) Net outstanding payable as on	31/03/20	-	-	449.14	-	449.14	
	31/03/19	-	1,027.32	310.22	-	1,337.54	
o) Provision for advances/ investments	31/03/20	-	-	-	-	-	
	31/03/19	-	-	2,495.12	-	2,495.12	
p) Share of margin towards business operations	31/03/20	-	-	-	-	-	
	31/03/19	-	-	2.68	-	2.68	

42.19 **Segment Reporting**

Information about business segment for the year ended 31st March, 2020 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.

42.20 **Disclosure of Interests in Joint Venture and Associate Companies**

<u>Name of Joint Venture Company</u>	<u>Proportion of Shareholding</u>	<u>Country of Incorporation</u>
Balmer Lawrie (UAE) LLC	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd.	48%	India
Transafe Services Ltd. (*)	50%	India
PT Balmer Lawrie Indonesia	50%	Indonesia
<u>Name of Associate Company</u>		
Avi Oil India (P) Ltd.	25%	India

(*) Refer Note No. 42.18

Avi Oil India (P) Ltd. is classified as associate on the basis of the shareholding pattern which leads to significant influence over them by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd, PT Balmer Lawrie Indonesia and Transafe Services Ltd. (TSL), 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 except for Transafe Services Ltd. (Refer Note No. 42.18).

The Company's proportionate share of the estimated amount of contracts remaining to be executed on Capital Accounts relating to the Joint Venture & Associate Companies and not provided for in their respective financial statements amounts to ₹2801.35 Lakhs (₹569.96 Lakhs).

With the adoption of Ind AS by the company and its group companies, the consolidation of individual line items under proportionate consolidation method being followed earlier under previous GAAP has been discontinued. Under the equity method as prescribed in Ind AS, the net assets of the group companies are shown as an increase in equity with corresponding increase in value of Investments in the parent company's books. Hence the disclosure for aggregate amounts of each of the assets, liabilities, income and expenses related to the interests in the Joint Venture and associate companies are no longer relevant.

42.21 Cost of Services comprises:

	2019-20	₹/ Lakhs 2018-19
Air/ Rail travel costs	1,864.39	(1,885.08)
Air/ Ocean freight	20,243.23	(22,933.35)
Transportation/ Handling	5,911.70	(7,007.40)
Other Service charges	2,448.83	(3,951.21)
	30,468.15	(35,777.04)

42.22 Capital Work in Progress as at the Balance Sheet date comprises:

Asset Classification (*)	As on 31.03.2020	₹/ Lakhs As on 31.03.2019
Leasehold Land	280.81	(280.81)
Building	1,233.01	(9,940.73)
Plant & Machinery	349.88	(834.18)
Electrical Installation & Equipment	269.06	(103.88)
Furniture & Fittings	13.19	(3.44)
Typewriter, Accounting Machine & Office Equipment	21.60	(17.26)
Tubewell, Tanks & Miscellaneous Equipment	-	(82.49)
Pre-Production Expenses	189.70	(431.69)
Sub-Total	2357.25	(11694.48)
Intangible Assets under development	7.00	(0.00)
Grand-Total	2,364.25	(11,694.48)

(*) Subject to final allocation / adjustment at the time of capitalization.

42.23 Miscellaneous Expenses shown under "Other Expenses" (Refer Note No. 36) do not include any item of expenditure which exceeds 1% of revenue from operations.

42.24 (a) Certain fixed deposits with banks amounting to ₹7,800.00 Lakhs (₹5,500.00 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 31.3.2020.

(b) Certain fixed deposits amounting to ₹84.45 Lakhs (₹78.64 Lakhs) are pledged with a bank against guarantees availed from the said bank.

42.25 Details of Other Payables (Refer Note No.24)

	2019-20	₹/ Lakhs 2018-19
Creditor for Expenses	6,362.94	(6,200.48)
Creditor for Capital Expenses	295.75	(246.19)
Employee Payables	1,626.10	(2,226.88)
Statutory Payables	365.85	(311.74)
Others	83.72	(112.71)
	8,734.36	(9,098.00)

42.26 Ind AS 36, Impairment, requires the company to test assets for impairment at every financial year end wherever there exist conditions which indicate that an impairment loss may have occurred. Kolkata plant of the SBU Industrial Packaging have been incurring losses for the last few years. In view of the same, fixed assets of the IP Kolkata unit had already been impaired during the previous financial year. The company's management has decided to close down the operations of the Kolkata plant of the SBU Industrial Packaging and proposal for the same has been send to the Administrative Ministry, Ministry of Petroleum & Natural Gas, Government of India for their in-principle approval.

42.27 The company has been sanctioned a Grant-in-aid of ₹7.83 crores in earlier years from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga, Maharashtra. Against the same, the company has been disbursed ₹4.70 crores upto 31.03.2020 (₹1.81 crores was disbursed during the financial year 2017-18). This has been treated as a deferred income and grouped under Non-Financial Liabilities-Others (Current) to be apportioned over the

useful life of the assets procured out of such grant. During the current financial year, a sum of ₹42.71 Lakhs (₹12.16 Lakhs) has been credited to income in the statement of profit and loss.

- 42.28 The words “Property, plant & equipment” wherever appearing in para 5 and para 7 of Significant Accounting Policy No.1.2 should be read as “Plant & Machinery”. This shall be subsequently approved by the company.
- 42.29 During the previous financial year 2018-19, the company started the process of closing down the wholly owned subsidiary Balmer Lawrie (UK) Limited (BLUK) and as a part of restructuring initiative a comprehensive portion of its paid-up shares was purchased back by the subsidiary company as per laid down guidelines of the United Kingdom. The wholly owned subsidiary issued share capital now stands at 100 equity shares with a face value of US \$ 1 each, which are still held by the company.
- 42.30 During the previous financial year 2018-19, as a part of restructuring of BLUK, its 50% share (2,000,000 shares) in PT. Balmer Lawrie Indonesia (PTBLI) were transferred to the company and investment in PTBLI to the tune of ₹1027.32 Lakhs was recognised. During the current financial year, it has been decided that since currently the Net worth of PTBLI is negative, a provision to the tune of ₹1027.32 Lakhs is created in the books of accounts of the company and the amount to be paid to BLUK against the same is also adjusted.
- 42.31 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.
- 42.32 **Impact of COVID-19 pandemic**

The spread of Covid-19 has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures.

Some of the services of the company have been identified as Essential Services and have been permitted to be allowed during the lockdown phases. The Company is also running its manufacturing facilities and is providing goods and services to its Customers.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and Investments as at the Balance Sheet date, and based on the internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts has concluded that no material adjustments are required to be made in the financial results.

The management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results. 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.

- 42.33 (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.

For B. K. Shroff & Co. Chartered Accountants Firm Registration No. 302166E	<u>Prabal Basu</u> Chairman and Managing Director	<u>Sandip Das</u> Director (Finance) & Chief Financial Officer	<u>Adika Ratna Sekhar</u> Director (HR&CA)	<u>Adhip Nath Palchaudhuri</u> Director (Service Businesses)	<u>Kavita Bhavsar</u> Company Secretary
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CA L. K. Shroff
Partner
Membership No. 060742

Place: Kolkata
Date: 24th June, 2020

(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
		2019-20	2018-19		
Sales Tax Act	Sales Tax	–	17.67	Asst Yr. 1994/95	Tribunal Mumbai
		–	1.55	Asst Yr. 1994/95	Tribunal Mumbai
		9.03	9.03	Asst Yr. 2012/13	Jt. Commissioner, Mumbai
		23.58	23.58	Asst Yr. 2009/10	Dy. Commissioner, Mumbai
		16.67	16.67	Asst Yr. 2007/08	Jt. Commissioner, Mumbai
		–	61.55	Asst Yr. 2010/11	Jt. Commissioner, Mumbai
		–	15.65	Asst Yr. 2011/12	Jt. Comm., Mumbai
		2.71	2.71	Asst Yr. 2007/08	Jt. Commissioner, Mumbai
		–	133.42	Asst Yr. 2003/04	Dy. Commissioner, Mumbai
		–	5.78	Asst Yr. 2000/01	Dy. Commissioner, Mumbai
		–	0.90	Asst Yr. 2000-01	Dy. Commissioner, Mumbai
		–	0.61	Asst Yr. 2001/02	Dy. Commissioner, Mumbai
		–	8.08	Asst Yr. 2000/01	Dy. Commissioner, Mumbai
		–	4.85	Asst Yr. 2001/02	Dy. Commissioner, Mumbai
		0.24	0.24	Asst Yr. 2008/09	Jt. Comm., Mumbai
		94.56	–	Asst Yr. 2013/14	Commissioner (VAT) Mumbai
		71.37	–	Asst Yr. 2014/15	Commissioner (VAT) Mumbai
		26.76	–	Asst Yr. 2013/14	Commissioner (VAT) Mumbai
		26.74	–	Asst Yr. 2014/15	Commissioner (VAT) Mumbai
		–	1.35	Asst Yr. 2000/01	Dy. Commissioner, Mumbai
		–	1.68	Asst Yr. 2001/02	Dy. Commissioner, Mumbai
		5.48	5.48	Asst Yr. 2008/09	Jt. Commissioner, Mumbai
		–	1.37	Asst Yr. 2001/02	Dy. Commissioner, Mumbai
		–	109.56	Asst Yr. 2011/12	Jt. Commissioner, Mumbai
		8.54	8.54	Asst Yr. 2012/13	Jt. Commissioner -ST Appeal Mumbai
		7.07	7.07	Asst Yr. 2007/08 (VAT Act, 03)	Sr. Jt. Commissioner, Appeal, West Bengal
		69.38	69.38	Asst Yr. 2003	CTO, Kochi
		15.62	15.62	Asst Yr. 1993/94	CTO, Kochi
		2.25	2.25	Asst Yr. 2005/06	CTO, Kochi

Part I **Statement of Disputed Dues as on 31st March, 2020** ANNEXURE - A (Contd.)
(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
		2019-20	2018-19		
Central Excise Act	Excise Duty	1402.49	1308.11	July'97	Appellate Tribunal, Kolkata
		–	16.31	Feb'2004	Appellate Tribunal, Kolkata
		47.00	47.00	04/10/2002	do
		–	40.04	22/11/2011	Addl. Commissioner (CE)
		–	0.52	05/05/2011	Dy. Commissioner (CE)
		–	1.94	11/02/2013	Commissioner (CE)
		–	17.57	08/04/2017	Comm. (Appeals), Mumbai
		–	27.83	March, 2011	do
		–	9.78	March'2010	do
		–	218.03	18/09/2002	CESTAT
		–	99.29	02/05/2003	do
		–	9.07	08/05/2006	do
		1.42	1.42	06/07/1995	Asst. Commissioner
		12.18	12.18	17/07/1995	do
		9.97	9.97	27/04/1995	do
		1.62	1.62	03/06/2011	Commissioner (Appeal)
		1.09	1.09	08/09/1995	Asst. Commissioner
SUB TOTAL		1475.77	1821.77		
Cess		124.96	120.02	Asstt Yr. 1999/00	High Court, Mumbai
		104.76	100.63	Asstt.Yr. 2000/01	High Court, Mumbai
SUB TOTAL		229.72	220.65		

Part I **Statement of Disputed Dues as on 31st March, 2020** ANNEXURE - A (Contd.)
(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
		2019-20	2018-19		
		6.63	6.63	Asstt Yr. 2005/06	CTO, Kochi
		10.85	10.85	Asstt. Yr. 2004	CTO, Kochi
		1.82	1.82	Asstt. Yr. 2003/04	Asst. Commissioner, Chennai
		–	14.65	Asstt. Yr. 1998/99	Appeal pending before STAT
		67.82	67.82	Asstt. Yr. 2005/06	Appeal pending with Sales Tax Appellate & Revision Board
		90.93	90.93	Asstt. Yr. 2005/06	do
		12.14	12.14	Asstt. Yr. 1996/97	Appeal pending with AAC, Chennai
		32.59	32.59	Asst Yr. 2007/08	Appellate & Revision Board
		12.32	17.68	VAT Asstt.2013/14	Appellate & Revision Board
		–	98.11	CST Asst. 2013/14	Calcutta High Court
		10.91	11.61	VAT Act. '03 Asst, 2014/15	Addl Commissioner Appeal, WB
		32.93	32.93	CST Act. '06 Asst, 2014/15	do
		49.86	64.54	VAT Act. '03 Asst, 2015/16	do
		66.00	186.15	CST Act. '06 Asst, 2015/16	do
		8.32	8.32	VAT Asst, 2012/13	do
		274.64	274.64	Asst. Yr. 2016/17	do
		241.27	241.27	Asst Yr. 2016/17	do
		96.66	–	Asst Yr. 2017/18	Senior Joint Commissioner, Corporate Division
		18.60	–		do
		52.50	52.50	Asst. Yr. 2010/11	Jt. Commissioner, Commercial Tax
		798.81	798.81	Asst Yr. 2009/10	Appeal against Dy. Commissioner Order, Orissa
SUB TOTAL		2265.61	2548.57		

Part I **Statement of Disputed Dues as on 31st March, 2020** ANNEXURE - A (Contd.)
(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
		2019-20	2018-19		
Service Tax	Service Tax	–	1.34	Oct 13 to Dec 13	Asst. Commissioner Central Excise (Adjn), Mumbai
		–	0.45	Apr-14 to June 14	Do
		–	0.44	July 14 to Sept 14	Do
		–	1.30	Oct 14 to Dec 14	Do
		–	17.38	Asst. Yr. 2012-13	Commissioner of Central Excise, Coimbatore
		–	8.34	Asst. Yr. 2012-13	Do
		23.52	22.39	19/03/2010	Commissioner (Appeal) Service Tax
		1254.72	3054.72	Oct. 2002-Mar 2007	CESTAT, West Bengal
		–	1.08	Jan'11-Oct'11	Suppdt.
		–	2.62	April'06-Dec'10	Do
		–	4.07	Nov'11 to Jun'12	Superintendent
		–	4.10	Nov'11 to Jun'12	Asst. Commissioner
		–	1.19	26 October, 2015	Asst. Commissioner Mumbai
		122.23	116.20	Asst. Yr. 2005-06/ 2006-07	Addl. Commissioner (Service Tax), West Bengal
		–	11.67	21, April, 2015	Commissioner-Service Tax Audit Commissionerate, Kolkata
		–	14.58	Apr. 06 to Feb. 10	Asst. Commissioner, Mumbai
		–	3.30	Mar 10 to Dec 10	Superintendent, Mumbai
		–	5.31	Apr 06 to Dec 10	Asst. Commissioner, Mumbai
		46.39	46.39	01/05/2011	Appellate Tribunal
		27.97	27.99	23/07/2012	Ist Appellate Authority, Delhi
		525.21	525.21	2013-14	Central Excise Service Tax Appellate Tribunal, Delhi
		–	5.04	July 12 to Mar 13	Asst Commissioner, Mumbai
		310.85	310.85	2016-17	CESTAT, Coimbatore
		–	4.38	Apr. 13 to Sep 13	Asstt Commissioner, Mumbai
		–	1364.63	01/03/2017	Commissioner order CHN dated 01.03.2017
		69.57	–	30/09/2019	Deputy/Assistant Commissioner of GST Division-II, Mumbai
		67.62	67.62	10/08/2016	CESTAT, Hyderabad
		–	30.80	Oct 07 to Mar 13	Commissioner, Mumbai
SUB TOTAL		2448.08	5653.38		
GRAND TOTAL		6419.18	10244.37		

Note : 43

Segment Revenue

(₹ in Lakhs)

	31 March 2020			31 March 2019		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	55,430	2,158	53,272	64,086	1,083	63,003
Logistics Infrastructure	17,798	199	17,599	18,591	33	18,558
Logistics Services	27,310	951	26,359	33,246	62	33,184
Travel & Vacations	17,060	3,896	13,164	15,977	314	15,663
Greases & Lubricants	37,160	5,931	31,229	37,600	95	37,505
Others	12,429	1,075	11,354	9,613	6	9,607
Total Segment Revenue	167,187	14,210	152,977	179,113	1,593	177,520

Segment Profit before Income Tax

(₹ in Lakhs)

	31 March 2020	31 March 2019
Industrial Packaging	5,390	5,416
Logistics Infrastructure	4,081	4,373
Logistics Services	4,454	7,971
Travel & Vacations	5,502	6,025
Greases & Lubricants	3,432	3,854
Others	385	372
Total Segment Profit	23,244	28,010

Segment Assets

(₹ in Lakhs)

	31 March 2020				31 March 2019			
	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	30,812	-	-	30,812	32,182	-	-	32,182
Logistics Infrastructure	25,350	-	-	25,350	22,111	-	-	22,111
Logistics Services	9,385	-	-	9,385	12,202	-	-	12,202
Travel & Vacations	33,478	-	-	33,478	34,239	-	-	34,239
Greases & Lubricants	17,111	-	-	17,111	19,309	-	-	19,309
Others	7,501	-	-	7,501	6,888	-	-	6,888
Total Segment Assets	123,636	-	-	123,636	126,931	-	-	126,931
Unallocated								
Deferred tax assets	-	-	-	-	-	-	-	0
Investments	14,007	-1,056	-	12,951	13,841	166	-	14,007
Derivative financial instruments	-	-	-	-	-	-	-	0
Other Assets	51,760	-	-	51,760	47,387	-	-	47,387
Total assets as per the balance sheet	189,403	-1,056	-	188,347	188,159	166	-	188,325

Impairment of Assets

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Industrial Packaging	-	19
Logistics Infrastructure	-	-
Logistics Services	-	-
Travel & Vacations	-	-
Greases & Lubricants	-	-
Others	-	-
Total Impairment of Assets	-	19

Segment Liabilities

(₹ in Lakhs)

	31 March 2020	31 March 2019
Industrial Packaging	7,990	8,784
Logistics Infrastructure	7,833	7,624
Logistics Services	7,806	10,889
Travel & Vacations	8,492	11,784
Greases & Lubricants	4,291	6,169
Others	2,423	2,912
Total Segment Liabilities	38,835	48,162
Intersegment eliminations	-	-
Unallocated		
Deferred tax liabilities	1,059	919
Current tax liabilities	1,690	2,791
Current borrowings	153	93
Non current borrowings	854	1,061
Derivative financial instruments	-	-
Other Liabilities	13,789	5,278
Total Liabilities as per the Balance Sheet	56,380	58,304

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 2020		31 March 2019	
	Fair value through Profit or Loss	Amortised Cost*	Fair value through Profit or Loss	Amortised Cost*
Financial Assets				
Equity instruments**	120.40	-	149.50	-
Trade receivables	-	27,295.73	-	27,619.22
Other receivables	-	17,009.00	-	21,640.30
Loans	-	1,461.33	-	2,451.39
Accrued income	-	2,395.59	-	2,226.70
Security deposit	-	765.38	-	908.38
Cash and cash equivalents	-	2,150.15	-	4,707.05
Other bank balances	-	42,995.00	-	39,071.11
Total- Financial Assets	120.40	94,072.18	149.50	98,624.15
Financial Liabilities				
Trade payables	-	21,785.47	-	29,305.66
Security deposit	-	3,263.77	-	2,468.01
Other financial liabilities	-	8,734.36	-	9,098.00
Total- Financial Liabilities	-	33,783.60	-	40,871.67

*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 ₹ 12829.98 Lakhs (31 March 2019 ₹ 13857.30 Lakhs) as per Ind AS 27 "Separate Financial Statement" and hence not presented here.

**2. This investment includes investment in other unquoted securities and the management estimates that its fair value would not be materially different from its carrying value, hence no fair value hierarchy disclosures are given in respect to these instruments.

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost.	Ageing Analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts
Market Risk - Foreign Exchange	Recognised financial assets and liabilities not denominated in Indian Rupee (₹)	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 ₹ 44304.73 Lakhs as at March 31, 2020 (₹ 49259.52 Lakhs as at March 31, 2019). 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 taken 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) and expects to repay the same as per schedule. The three tranche of ₹ 1.25 crores each amounting to ₹ 3.75 crores was paid as and when it was due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining short term debt financing plans.

The company does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they are falling due.

C) Market Risk

Market risk arises due to change in interest rates or foreign exchange rates.

1) Interest rate risk

The company is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The company has also invested in preference share capital of its joint venture company, M/s Transafe Services Limited which has been entirely provided for in the books of the company on account of total erosion of Net Worth of the JV and hence no further income is being accrued on this account (Refer Note no. 42.18). The company has not invested in any other instruments except equity investments. The company has a very insignificant borrowing on which interest is payable and it does not foresee any risk in its repayment.

2) Foreign currency risk

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS-109. The Company does not use forward contracts for speculative purposes.

The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED .

The Company, as a matter of policy decided by the Board of Directors, do not enter into derivative contracts.

The Companies exposure to foreign currency risk at the end of the reporting period expressed in individual currencies are as follows:

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Net Payables		
USD	2,193,470	2,347,472
Euro	1,518,150	1,642,920
GBP	302,345	568,018
Forward Contracts		
USD	599,000	275,000
Euro	335,000	-
GBP	140,000	-
Receivables		
AED	9,328,061	9,639,887

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ are as follows (₹ in lakhs):

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Net payables		
USD	1,665	1,635
Euro	1,279	1,293
GBP	285	520
Receivables		
AED	1,868	1,770

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Increase by 50 Basis points *		
USD	83.24	81.73
Euro	63.96	64.63
GBP	14.25	26.00
AED	93.42	88.49
Decrease by 50 Basis points *		
USD	(83.24)	(81.73)
Euro	(63.96)	(64.63)
GBP	(14.25)	(26.00)
AED	(93.42)	(88.49)

* Holding all other variables constant

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.

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Total Equity	131,966.74	130,020.44
Total Assets	188,346.71	188,324.72
Equity Ratio	70.07%	69.04%

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
(i) Dividend recognised at the end of the reporting period		
Final dividend for the year ended 31 March 2019 of ₹ 11 (31 March 2018 of ₹ 10) per fully paid share (Net of Dividend Distribution Tax).	12,540.29	11,400.26
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year-end, the directors have recommended the payment of final dividend of ₹ 7.50 (31 March 2019 ₹ 11) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	12,825.29	12,540.29

For the year ended 31.03.2020

Form AOC-1

INFORMATION IN RESPECT OF SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

[Pursuant to Section 129(3) of Companies Act 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part - A - Subsidiaries

1	SI. No.	1	2
2	Name of the subsidiary	Balmer Lawrie UK Ltd.	Visakhapatnam Port Logistics Park Ltd.
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.	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD @ 75.48/ USD	NA
6	Share capital	11,926	1,350,649,630
7	Reserves & surplus	4,694,781	(246,483,405)
8	Total assets	5,414,784	2,121,771,980
9	Total Liabilities	708,078	1,017,604,752
10	Investments	-	-
11	Turnover	921,392	47,105,593
12	Profit /(Loss) before taxation	(173,270,001)	(160,478,485)
13	Provision for taxation	63,479	-
14	Profit /(Loss) after taxation	(173,333,480)	(160,478,485)
15	Proposed Dividend	-	-
16	Extent of shareholding (in percentage)	100%	60%

Note :

1 None of the subsidiaries have been liquidated or sold during the year.

Part - B - Associates and Joint Ventures

SI. No.	Name of Associates / Joint Ventures	Balmer Lawrie (UAE) LLC	Balmer Lawrie-Van Leer Ltd.	Transafe Services Ltd.	Avi-Oil India (P) Ltd.	PT Balmer Lawrie Indonesia
1	Latest audited Balance Sheet Date	31/12/2019	31/3/2020	31/3/2020	31/3/2020	31/3/2020
2	Date on which the Associate or Joint Venture was associated or acquired	1/11/1993	1/9/1993	15/10/1990	04/11/1993	22/10/2018
3	Shares of Associate or Joint Ventures held by the company on the year end					
	No.	9800	8601277	11361999	4500000	2000000
	Amount of Investment in Associates or Joint Venture (₹ Lakhs)	890.99	3385.03	1165.12	450.00	1027.32
	Extent of Holding (in percentage)	49.00%	47.91%	50.00%	25.00%	50.00%
4	Description of how there is significant influence	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding	Controlling more than 20% shareholding

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
5	Reason why the associate /joint venture is not consolidated	Not Applicable	Not Applicable	CIRP initiated under IBC. For details refer Note No. 42.18 of the standalone notes to accounts.	Not Applicable	Not Applicable
6	Networth attributable to shareholding as per latest audited Balance sheet (₹/Lakhs)	57,829.37	15,333.52	-	6,669.43	(615.84)
7	Profit or Loss for the year (₹/Lakhs)					
	(i) Considered in Consolidation	7,254.79	2,435.89	-	572.38	-
	(ii) Not Considered in Consolidation	-	-	-	-	(320.81)

Note :

- Note : As per Ind AS 28 -Investments in Associates and Ind AS 31 - Interests in Joint Ventures, the company has followed the equity method of accounting for all its joint ventures and associate companies. The net share of net worth including Profit/ (Loss) during the year has been adjusted to the Investment value with corresponding increase/ (decrease) in Equity. In case of PT Balmer Lawrie Indonesia, since the net worth has turned negative, hence no further consolidation is required. In case of Transafe Services Limited, since the company has went into IBC proceedings wef 21.11.2019, hence no further consolidation is done subsequent to that date.
- Financial statements of PT Balmer Lawrie Indonesia (PTBLI) for the year ended March 31, 2020 as prepared by the management of PTBLI has been considered for preparing the consolidated financial statements of the company.
- None of the associates or joint ventures have been liquidated or sold during the year.

For B. K. Shroff & Co.

Chartered Accountants
Firm Registration No. 302166E

Prabal Basu

Chairman and
Managing
Director

Sandip Das

Director (Finance)
& Chief Financial
Officer

Adika Ratna Sekhar

Director (HR&CA)

Adhip Nath Palchaudhuri

Director
(Service Businesses)

Kavita Bhavsar

Company
Secretary

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

**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, 2020, 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, 2020, 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:

Sl. No	Key Audit Matter	Auditor’s Response
1.	<p>Adoption of Ind AS 116 Leases</p> <p>The Group has adopted Ind AS 116 Leases (Ind AS 116) in the current year, as mentioned in Note No. 1.17 & Note No.41 to the consolidated financial statements. There is a complexity in application and transition to this accounting standard and since the Group has a large number of leases with different contractual terms, it is an area of focus in our audit. Accordingly, it has been determined as a key audit matter.</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> • Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116); • Assessed the Group’s evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • Verified the lease contracts as made available to us on sample basis and tested the value of lease, tenure of lease, escalation clause thereon and the restatement methodology adopted by the Group;

Sl. No	Key Audit Matter	Auditor's Response
	<p>The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement.</p> <p>Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term.</p> <p>Additionally, the standard mandates detailed disclosures in respect of transition. (Refer Note No. 41 to the consolidated financial statements).</p>	<ul style="list-style-type: none"> • Evaluated the reasonableness of the discount rates applied in determining the lease liabilities; • Assessed the transition approach used by the Group, carve out provisions adopted for short term leases and leases of low value assets, accounting policy adopted for recognition, measurement and disclosure of lease payments, recognition of ROU Assets and Lease Liability, recognition of income and expense in the Statements of Profit & Loss; • Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.
2.	<p>Evaluation of uncertain tax positions</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 statement]</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 from 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 uncertainties.</p>
3.	<p>Debtors Due for More than Three years and Credit Balance in Sundry Debtors Accounts (Unallocated Receipts)</p> <p>The Holding 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"> • Amount lying in the nature of advance in the customer account; • Amount credited to customer account but the same could not be tracked/linked with any sales invoice. • Non-reconciliation of these balances in the absence of customer's confirmation resulting in the credit balances lying for long periods 	<p>We have checked the debtor's ageing schedule of the SBU's. The authority is regularly following up on the realisation of the same. As is evident from the ageing schedule dues do exist for more than three years against which provision has been made in the accounts.</p> <p>We, during the course of our examination have also checked the unadjusted advances from customers for more than three years and also the credit balances lying in customers' accounts on account of unmatched invoices (unallocated receipts). Some of the advances lying unadjusted for more than three years have been written back during the course of audit. In some cases, the management is in the process of reconciliation with the respective parties and hence the process of write back has been kept in abeyance.</p> <p>It is observed that though letters seeking confirmations are sent, 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 get confirmation through the sales team on a periodical basis also.</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: -

- 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.42.12 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.322.57 Lakhs (P.Y. Rs.326.75 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 ceases to have joint control or have significant influence over one of its joint venture company, M/s Transafe Services Limited due to initiation of Corporate Insolvency Resolution Process by the Hon’ble National Company Law Tribunal (Kolkata Bench) during the year and appointed Insolvency Resolution Professional to exercise power to control and influence over such joint venture company.

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 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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.21,271.87 Lakhs** as at 31st March, 2020, total revenues of **Rs.480.27 Lakhs** and net cash flows used amounting to **Rs.689.43 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.3,664.19 Lakhs** for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of **1 (One) associate & 2 (Two) 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) The consolidated financial statements also include the Group's share of net profit/loss of **NIL** for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of **1 (One) joint ventures**, whose financial statements / financial information have not been audited by us. This financial statements / financial information are unaudited and 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 & joint ventures, is based solely on such unaudited financial statements / financial information.

- c) 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.1,05,740.70 Lakhs** as at 31st March 2020 and the total revenue of **Rs.1,21,828.83 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

1. As required under section 143(5) of the Companies Act, 2013, we give in the **Annexure-A**, a Statement on the Direction 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.
2. Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of the sub-section (11) of section 143 of the Act, is not applicable on the consolidated financial statements as referred in proviso to Para 2 of the said Order.
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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our

- examination of those books and the reports of the other auditors.
- c) The reports on the 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.
 - d) 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 Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - e) In our opinion, the aforesaid consolidated financial statements comply with the 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 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.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The 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 to the consolidated financial statements.
 - ii) The Group, its associates and joint ventures did 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 Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.

For **B. K. SHROFF & CO.**
Chartered Accountants
Firm Registration No.: 302166E

Place: Kolkata
Date: 24th June, 2020

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABI2033

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 2019-20.

CAG’s Directions	Our Observation	Impact on Financial statements
(1) Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on 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
(2) Whether there is any restructuring of an existing Loan or cases of waiver/ write off of debt/loans/interests, etc. made by the lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	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.	NIL
(3) Whether the fund received/ receivable for specific scheme from Central/State agencies were properly accounted for/utilised as per its term and condition? List the case of deviation.	The Holding Company has been sanctioned a Grant – in –Aid of Rs.7.83 crores in earlier year 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 Rs.4.70 crores till 31.03.2020 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.42.71 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

Place: Kolkata
 Date: 24th June, 2020

(L. K. SHROFF)
PARTNER
 Membership No. : 060742
 UDIN: 20060742AAAABI2033

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, 2020, 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, 2020, 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.

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

Place: Kolkata
Date: 24th June, 2020

(L. K. SHROFF)
PARTNER
Membership No. : 060742
UDIN: 20060742AAAABI2033

**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 2020.**

The preparation of consolidated financial statements of Balmer Lawrie & Company Limited for the year ended 31 March 2020 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 24 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Balmer Lawrie & Company Limited, Kolkata for the year ended 31 March 2020 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 but did not conduct supplementary audit of the financial statements of the subsidiaries, associate companies and jointly controlled entities as detailed in Annexure for the year ended on that date. **Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to the entities as detailed in Annexure being private entities/ entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on the behalf of the

Comptroller & Auditor General of India

(Suparna Deb)

Director General of Audit (Mines)
Kolkata

Place : Kolkata
Date : 24.08.2020

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 31.03.2020.

Sl. No.	Name of the Subsidiary/ Associate Companies	Name of relationship	Type of Entity
1.	Visakhapatnam Port Logistics Park Limited	Subsidiary	Central Public Sector Undertaking
2.	Balmer Lawrie (UK) Limited	Subsidiary	Foreign Company
3.	Balmer Lawrie (UAE) Llc.	Joint Venture	Foreign Company
4.	P T Balmer Lawrie Indonesia	Joint Venture	Foreign Company
5.	Balmer Lawrie - Van Leer Limited	Joint Venture	Private Company
6.	Transafe Services Limited	Joint Venture	Private Company
7.	Avi-Oil India Private Limited	Associate	Private Company

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

(₹ in Lakhs)

Particulars	Note No	As at	
		31 March 2020	As at 31 March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	63,958.13	56,319.08
(b) Right of Use Assets	3	12,683.15	-
(c) Capital work-in-progress		2,362.25	11,717.60
(d) Investment Properties	4	108.53	111.39
(e) Intangible assets	5	275.37	391.08
(f) Intangible assets under development		7.00	-
(g) Financial Assets			
(i) Investments	6	37,470.44	32,506.53
(ii) Loans	7	217.62	420.89
(iii) Others	8	69.41	84.81
(h) Non Financial Assets- Others	10	1,164.40	8,999.85
Total Non Current Assets		118,316.30	110,551.23
(2) Current Assets			
(a) Inventories	11	14,505.70	14,293.31
(b) Financial Assets			
(i) Trade Receivables	12	27,350.78	27,629.10
(ii) Cash & Cash Equivalents	13	2,266.25	5,498.59
(iii) Other Bank Balances	14	42,995.00	39,071.11
(iv) Loans	15	877.47	1,199.98
(v) Others	16	20,170.97	24,775.38
(c) Non Financial Assets- Others	17	7,053.15	5,196.27
Total Current Assets		115,219.32	117,663.74
Total Assets		233,535.62	228,214.97
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	17,100.38	11,400.25
(b) Other Equity	19	138,282.87	140,552.84
		155,383.25	151,953.09
MINORITY INTEREST			
Equity attributable to Non Controlling Interest			
(a) Equity Share Capital		5,402.60	5,402.60
(b) Other Equity	19	(985.93)	(344.02)
		4,416.67	5,058.58
Total Equity		159,799.92	157,011.67
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	9,407.85	7,608.24
(ii) Lease Liabilities		1,349.70	-
(iii) Other Financial Liabilities	20	16.23	7.70
(b) Provisions	21	4,327.81	4,162.43
(c) Deferred Tax Liabilities (Net)	9	8,834.02	7,364.03
(d) Non Financial Liabilities - Others	22	434.19	260.51
Total Non-Current Liabilities		24,369.80	19,402.91
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	152.99	161.86
(ii) Lease Liabilities		1,007.84	-
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	23	328.26	324.16
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	21,832.89	28,974.92
(iv) Other Financial Liabilities	24	12,917.90	13,295.13
(b) Non Financial Liabilities -Others	25	9,795.45	5,235.18
(c) Provisions	26	1,664.93	1,638.56
(d) Current Tax Liabilities (Net)	27	1,665.64	2,170.58
Total Current Liabilities		49,365.90	51,800.39
Total Equity and Liabilities		233,535.62	228,214.97

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.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata**Date: 24th June, 2020**

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CONSOLIDATED FINANCIAL STATEMENTS

Balmer Lawrie & Co. Ltd.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

	Note No.	For the year ended 31 March 2020	(₹ in Lakhs) For the year ended 31 March 2019
Income			
I	28	153,443.68	177,520.81
II	29	5,054.46	5,482.87
III		Total Income (I+II)	183,003.68
Expenses			
IV	30	90,755.74	110,530.18
	31	2,075.61	329.45
	32	(506.63)	343.82
	33	21,501.49	21,270.38
	34	1,486.99	712.37
	35	5,173.13	3,031.25
	36	20,667.66	22,129.02
		Total Expenses (IV)	158,346.47
V		Profit before Exceptional Items and Tax (III-IV)	24,657.21
VI		Exceptional Items	-
VII		Profit before Tax (V-VI)	24,657.21
VIII	37	Tax expense	
		(1) Current Tax	8,122.58
	9	(2) Deferred Tax	424.13
IX		Profit for the period from Continuing Operations (VII-VIII)	16,110.50
X		Profit/(Loss) from Discontinued Operations	-
XI		Tax expense of Discontinued Operations	-
XII		Profit/(Loss) from Discontinued Operations (after tax) (X-XI)	-
XIII		Profit/(Loss) after Tax before share of Profit/(Loss) of Joint Ventures and Associates (IX+XII)	16,110.50
XIV		Share of Profit/(Loss) of Joint Ventures and Associates (Net)	3,584.37
XV		Profit/(Loss) for the period (XIII+XIV)	19,694.87
		Attributable to:	
		(a) Shareholders of the Company	19,917.51
		(b) Non Controlling Interest	(222.64)
XVI	38	Other Comprehensive Income	
		A i) Items that will not be reclassified to Profit or Loss	(925.66)
		ii) Income tax relating to items that will not be reclassified to Profit or Loss	323.46
		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)	(37.71)
XVII		Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other Comprehensive Income for the period)	19,054.96
		Attributable to:	
		(a) Shareholders of the Company	19,277.60
		(b) Non Controlling Interest	(222.64)
XVIII	39	Earnings per equity share (for Continuing Operations):	
		(1) Basic (₹)	11.65
		(2) Diluted (₹)	11.65
XIX		Earnings per equity share (for Discontinued Operation):	
		(1) Basic (₹)	-
		(2) Diluted (₹)	-
XX		Earnings per equity share (for Discontinued & Continuing Operations):	
		(1) Basic (₹)	11.65
		(2) Diluted (₹)	11.65

Summary of Significant Accounting Policies

The accompanying notes are integral part of the Financial Statements.

This is the statement of profit and loss referred to in our report of even date.

As per our report attached

For B. K. Shroff & Co.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff
Partner
Membership No. 060742

Place: Kolkata
Date: 24th June, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash Flow from Operating Activities		
Net profit before tax	17,344.15	24,657.21
Adjustments for:		
Depreciation and Amortisation	5,173.13	3,031.25
Impairment of Assets	-	19.36
Write off/Provision for doubtful Trade Receivables (Net)	952.54	(102.95)
Write off/Provision for Inventories (Net)	(0.53)	45.80
Other Write off/Provision (Net)	16.82	300.82
(Gain)/ Loss on sale of Fixed Assets (Net)	(19.22)	(6.02)
(Gain)/ Loss on fair valuation of Investments (Net)	-	(634.49)
Interest Income	(2,604.79)	(2,864.91)
Dividend Income	(6.50)	(3.15)
Finance costs	1,486.99	712.37
Operating Cash Flows before Working Capital changes	22,342.59	25,155.29
Changes in Operating Assets and Liabilities (Working Capital changes)		
(Increase)/Decrease in Trade Receivables	(674.22)	(547.82)
(Increase)/Decrease in Non Current Assets	2,162.50	2,895.58
(Increase)/Decrease in Inventories	(211.86)	(675.79)
(Increase)/Decrease in Other Short Term Financial Assets	4,910.10	2,640.44
(Increase)/Decrease in Other Current Assets	(1,953.15)	355.14
Increase/(Decrease) in Trade Payables	(7,129.40)	(2,417.00)
Increase/(Decrease) in Long Term Provisions	165.38	384.95
Increase/(Decrease) in Short Term Provisions	748.32	448.63
Increase/(Decrease) in Other Liabilities	(374.10)	416.54
Increase/(Decrease) in Other Current Liabilities	4,560.27	(811.60)
Cash flow generated from Operations	24,546.44	27,844.36
Income taxes paid (Net of refunds)	(5,673.12)	(8,438.19)
Net Cash generated from Operating Activities	A 18,873.32	19,406.17
Cash flow from Investing Activities		
Purchase/ Construction of Property, Plant and Equipment	(4,466.30)	(19,724.15)
Purchase of Investments	-	(1,162.00)
Proceeds on sale of Property, Plant and Equipment	(352.85)	(369.12)
Proceeds on disposal/ sale of Investments	-	634.49
Bank deposits (having original maturity of more than three months) (Net)	(3,827.62)	4,064.97
Interest received	2,604.79	2,864.91
Dividend received	6.50	3.15
Net Cash (used in)/ generated from Investing Activities	B (6,035.48)	(13,687.75)
Cash flow from Financing Activities		
(Repayment)/ Proceeds from Short Term Borrowings	(8.87)	161.89
Repayment of Borrowings	(250.00)	-
Dividend paid (including tax on dividend)	(15,022.30)	(13,685.17)
Loans taken	1,757.44	6,424.29
Repayment of Lease Liabilities	(1,059.45)	-
Finance costs	(1,486.99)	(712.37)
Net Cash (used in)/ generated from Financing Activities	C (16,070.17)	(7,811.36)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(3,232.34)	(2,092.94)
Cash and Cash Equivalents at the beginning of the year	5,498.59	7,591.53
Cash and Cash Equivalents at the end of the year	2,266.25	5,498.59
Movement in Cash Balance	(3,232.34)	(2,092.94)
Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement		
Cash and Cash Equivalents as per above comprise of the following:		
Cash in hand	9.29	3.75
Balance with Banks in Current Accounts	2,256.96	5,494.84
	2,266.25	5,498.59

As per our report attached

For B. K. Shroff & Co.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

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CONSOLIDATED FINANCIAL STATEMENTS

Balmer Lawrie & Co. Ltd.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the Reporting Period	Bonus Shares issued during the year	Balance at the end of Reporting Period
Equity Share Capital	11,400.25	5,700.13	17,100.38

B Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Share Premium Account	General Reserve	Retained Earnings	Foreign Currency Translation	Other Comprehensive Income Reserve	Minority Interest	
Balance as at 1 April 2018	3,626.77	35,603.82	93,732.13	1,109.62	100.14	(121.38)	134,051.10
Profit for the year	-	-	19,694.87	-	-	-	19,694.87
Bonus Shares issued	-	-	-	-	-	-	-
Dividends paid	-	-	(11,400.26)	-	-	-	(11,400.26)
Dividend Tax paid	-	-	(2,413.43)	-	-	-	(2,413.43)
Profit for the year for Minority Interest	-	-	-	-	-	(222.64)	(222.64)
Retained Earnings adjustments	-	-	1,222.49	-	-	-	1,222.49
Remeasurement Gain/ (Loss) during the year	-	-	-	(83.40)	(639.91)	-	(723.31)
Balance as at 31 March 2019	3,626.77	35,603.82	100,835.80	1,026.22	(539.77)	(344.02)	140,208.82
Balance as at 1 April 2019	3,626.77	35,603.82	100,835.80	1,026.22	(539.77)	(344.02)	140,208.82
Profit for the year	-	-	15,480.91	-	-	-	15,480.91
Bonus Shares issued	-	(5,700.13)	-	-	-	-	(5,700.13)
Dividends paid	-	-	(12,540.29)	-	-	-	(12,540.29)
Dividend Tax paid	-	-	(2,578.28)	-	-	-	(2,578.28)
Profit for the year for Minority Interest	-	-	-	-	-	(641.91)	(641.91)
Retained Earnings adjustments	-	-	4,634.25	-	-	-	4,634.25
Remeasurement Gain/ (Loss) during the year	-	-	-	(890.26)	(676.17)	-	(1,566.43)
Balance as at 31 March 2020	3,626.77	29,903.69	105,832.39	135.96	(1,215.94)	(985.93)	137,296.94

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.	Prabal Basu	Sandip Das	Adika Ratna Sekhar	Adhip Nath Palchaudhuri	Kavita Bhavsar
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff

Partner

Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

Significant Accounting Policies and other explanatory information to the Consolidated Financial Statements for the year ended 31 March 2020

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 Property, Plant & Equipment other than Continuous Process Plant is provided on pro-rata basis following Straight Line Method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on Continuous Process Plant is as per Schedule II of the Companies Act, 2013.

Depreciation on certain Property, Plant & Equipment, which have been refurbished/ upgraded and put to further use are being depreciated on a pro rata basis considering their reassessed residual useful life which is not more than the life specified in Schedule II of the Companies Act, 2013.

Depreciation on Tangible Assets other than Plant and Machinery, is provided on pro-rata basis following Straight Line Method over the estimated useful lives of the Asset or over the lives of the Assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following Assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated Useful Life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under Furniture Equipment Scheme	5 years
Electrical items like Air Conditioners, Fans, Refrigerators etc.	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

- a) Inventories are valued at lower of Cost or Net Realisable Value. For this purpose, the basis of ascertainment of Cost of the different types of inventories is as under –
- b) Raw materials & Trading goods, Stores & Spare parts and materials for turnkey projects on the basis of Weighted Average Cost.
- c) Work-In-Progress on the basis of Weighted Average Cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished Goods on the basis of Weighted Average Cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

1.7 Employee Benefits

(i) Short Term Obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of

the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in Balance Sheet

(ii) Post-employment Obligations

Defined Contribution Plans

Provident Fund : the Group transfers Provident fund contributions to the Trust registered for maintenance of the fund and has no further obligations on this account. These are recognised as and when they are due.

Superannuation Fund : wherever applicable the Group contributes a sum equivalent to fixed percentage of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit Plans

Gratuity and Post Retirement Benefit plans : The Defined Benefit Obligation is calculated annually by actuary using the projected Unit Credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the statement of changes in Equity. Changes in present value of the Defined Benefit Obligation resulting from plan amendments or curtailments are recognised immediately in Profit or Loss as past service cost.

(iii) Other long term Employee Benefit Obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the Projected Unit Credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Profit or Loss.

1.8 Government Grants

- a) Grants from the Government are recognised at their Fair Value where there is a reasonable assurance that the Grant will be received and the group will comply with all attached conditions.
- b) Government Grants relating to income are deferred and recognised in the Profit or Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- c) Government Grants relating to the purchase of Property, Plant and Equipment are included in

Non-Current Liabilities as deferred income and are credited to Profit or Loss on a Straight-Line basis over the expected lives of the related assets and presented within other income.

1.9 Foreign Currency Translation

a) Functional and Presentation Currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the Functional Currency'). The Consolidated Financial Statements are presented in Indian Rupee (INR), which is Group's Functional and Presentation Currency.

b) Transactions and Balances

Foreign Currency transactions are translated into the Functional Currency using the exchange rates at the dates of the transactions. Foreign Exchange Gains and Losses resulting from the settlement of such transactions and from the translation of Monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Profit or Loss.

c) Group Companies

The results and financial position of foreign operations that have a Functional Currency different from the Presentation Currency are translated into the Presentation Currency as follows:

- Assets and Liabilities are translated at the closing rate at the date of that Balance Sheet
- Income and Expenses are translated at average exchange rates, and
- All resulting exchange differences are recognised in Other Comprehensive Income.

1.10 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Board of Directors assesses the financial performance and position of the Group, and makes strategic decisions and have identified business segment as its primary segment.

1.11 Provisions, Contingent Liabilities and Capital Commitments

- a) Provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision amount are discounted to their Present Value where the impact of time value of money is expected to be material.

- b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group.

- c) Contingent Liabilities pertaining to various Government Authorities are considered only on conversion of show cause notices issued by them into demand.

1.12 Intangible Assets

- a) Expenditure incurred for acquiring Intangible Assets like Software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the Asset or five years, whichever is earlier, from the time the Intangible Asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an Asset and are amortised on a Straight Line Basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

1.13 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital Expenditure relating to Research & Development is treated in the same way as other Fixed Assets.

1.14 Treatment of Grant / Subsidy

- a) Revenue Grant/Subsidy in respect of Research & Development Expenditure is set off against respective expenditure.
- b) Capital Grant/Subsidy against specific Fixed Assets is set off against the cost of those Fixed Assets.
- c) When Grant/ Subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular Fixed Assets the Grant/Subsidy so received is credited to Capital Reserve. On expiry of the stipulated period set out in the scheme of Grant/Subsidy the same is transferred from Capital Reserve to General Reserve.
- d) Revenue Grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

1.15 Impairment of Assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the Carrying Amount of the Fixed Assets. If any indication exists, an Asset's recoverable amount is estimated. An impairment loss is recognised whenever the Carrying amount of the Asset exceeds the Recoverable amount.

The recoverable amount of an Asset or a cash-generating unit is the higher of its Fair Value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an Asset or cash-generating unit using an appropriate discount factor.

1.16 Income Taxes

Tax expense recognized in Profit or Loss comprises the sum of Deferred Tax and Current Tax not recognized in Other Comprehensive Income or directly in Equity.

Current Tax is payable on taxable profit, which differs from Profit or Loss in the Financial Statements. Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the Liability Method on temporary differences between the carrying amounts of Assets and Liabilities and their tax bases. However, Deferred Tax is not provided on the initial recognition of an Asset or Liability unless the related transaction is a business combination or affects tax or Accounting Profit. Deferred Tax Assets and Liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred Tax Asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an Asset or Liability in a transaction that is not a business combination; and at the time of the transaction, affects neither Accounting Profit nor Taxable Profit or Loss.
- in respect of deductible temporary differences arising from investments in Subsidiaries, Branches and Associates, and interests in Joint Arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Group's forecast of future operating results, adjusted for significant non-

taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in Deferred Tax Assets or Liabilities are recognised as a component of tax income or expense in Profit or Loss, except where they relate to items that are recognized in Other Comprehensive income or directly in Equity, in which case the related Deferred Tax is also recognized in Other Comprehensive Income or Equity, respectively.

Deferred Tax Liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in Subsidiaries, Branches and Associates and interest in Joint Arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.17 Leases

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.

For the comparative information (i.e. till March 31, 2019) the Group followed the following Accounting Policy:

Finance Leases

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the Leased Asset. Key factors considered include the length of the lease term in relation to the economic life of the Asset, the present value of the minimum lease payments in relation to the Asset's Fair Value, and whether the Group obtains ownership of the Asset at the end of the lease term. Where the Group is a Lessee in this type of arrangement, the related Asset is recognized at the inception of the Lease at the Fair Value of the leased asset or, if lower, the Present Value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a Finance Lease Liability.

The Assets held under Finance Leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding Finance Lease Liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding

capital balance and is charged to Profit or Loss, as finance costs over the period of the lease.

Operating Leases

All other leases are treated as Operating Leases. Lease rentals for Operating Leases is recognised in Profit and Loss on a Straight-Line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

1.18 Revenue Recognition

Revenue is measured as the Fair Value of consideration received or receivable, excluding Goods and Services Tax.

Sale of Goods

When the control over goods is transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Services Rendered:

- a) When control over the service rendered in full or part is recognized by the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from rendering the services.
- b) In case of Project activities: As per the Percentage of Completion method after progress of work to a reasonable extent for which control can be transferred to the buyer.
- c) In cases where the Group collects consideration on account of another party, it recognises revenue as the net amount retained on its own account.

Other Income:

- a) Interest on a time proportion basis using the Effective Interest Rate method
- b) Dividend from investments in shares on establishment of the Group's right to receive.
- c) Royalties are recognised on accrual basis in accordance with the substance of the relevant agreement
- d) Export incentives are recognised as income only at the time when there is no significant uncertainty as to its measurability and ultimate realisation.

For determining the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

The Group accounts for volume discounts and pricing incentives to a buyer as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the buyer towards earning the discount/ incentive.

Term of returns, refunds etc. are agreed with the buyers on a case to case basis upon mutually accepted terms and conditions. The impact of returns and refunds is negligible on the turnover of the Group.

As a practical expedient, as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized from the satisfaction of the performance obligation corresponds directly with the value to the customer of the entity's performance completed to date especially in relation to those contracts where invoicing is on time and material basis.

Significant Payment Terms:

Payment is generally received either in cash or based on credit terms. Credit terms are agreed to with the buyers and is generally in line with the respective industry standards.

1.19 Borrowing Costs

General and specific Borrowing Costs that are directly attributable to the acquisition, construction or production of a Pualifying 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:

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- b) if the error occurred before the earliest prior period presented, restating the opening balances of Assets, Liabilities and Equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five lacs (₹ 25 Lacs) shall be considered as material Prior Period Item.
- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the 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

Prabal Basu

Chairman and
Managing
Director

Sandip Das

Director (Finance)
& Chief Financial
Officer

Adika Ratna Sekhar

Director (HR&CA)

Adhip Nath Palchaudhuri

Director
(Service Businesses)

Kavita Bhavsar

Company
Secretary

CA L. K. Shroff

Partner
Membership No. 060742

Place: Kolkata

Date: 24th June, 2020

Notes to the Consolidated Financial Statements for the year ended 31st March 2020

Note No 2.

Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Property, Plant and Equipment										Total		
	Land - Freehold	Land - Leasehold*	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter, Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment		Railway Sidings	Vehicles
Gross Block													
Balance as at 1 April 2019	2,419.41	3,203.81	29,400.54	19,542.61	21.22	4,229.17	1,113.43	2,060.24	2,089.94	712.12	1,016.11	362.87	66,171.47
Transfer to Right of Use Asset*	-	(3,203.81)	-	-	-	-	-	-	-	-	-	-	(3,203.81)
Additions	9.08	-	10,362.47	2,079.56	35.56	515.89	380.37	351.01	236.38	15.15	-	40.39	14,025.86
Disposal of Assets	-	-	-	(119.45)	(3.57)	(87.28)	(15.78)	(81.89)	(26.14)	(2.53)	-	(35.43)	(372.07)
Gross Block as at Mar 31 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	76,621.45
Accumulated Depreciation													
Balance as at 1 April 2019	-	253.03	2,006.33	3,329.90	10.32	1,268.47	305.97	1,294.86	668.78	306.49	92.72	315.52	9,852.38
Transfer to Right of Use Asset*	-	(253.03)	-	-	-	-	-	-	-	-	-	-	(253.03)
Depreciation charge for the year	-	-	997.58	1,025.50	3.80	506.00	148.66	318.83	227.51	81.41	98.08	19.42	3,426.78
Disposal of Assets	-	-	-	(115.73)	(3.57)	(84.41)	(15.61)	(81.19)	(25.94)	(2.53)	-	(33.83)	(362.81)
Accumulated Depreciation as at Mar 31 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	12,663.33
Net Block as at Mar 31 2020	2,428.49	-	36,759.11	17,263.06	42.66	2,967.73	1,039.00	796.86	1,429.83	339.36	825.30	66.73	63,958.13
Net Block as at Mar 31 2019	2,419.41	2,950.78	27,394.21	16,212.72	10.90	2,960.70	807.46	765.38	1,421.16	405.63	923.39	47.36	56,319.08

*After the application of IND AS 116 w.e.f. 1st April, 2019, the balance of Land Leasehold as appearing in books have been transferred to Right of Use Assets (Refer Note No. 3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Note No 3.

Right of Use Assets

(₹ in Lakhs)

Particulars	Right of Use Assets				Total
	Land - Leasehold*	Buildings	Plant & Machinery	Electrical Equipments	
Gross Block					
Balance as at 1 April 2019	-	-	-	-	-
Transfer from Land Leasehold*	3,203.81	-	-	-	3,203.81
Additions	46.00	10,178.67	1,096.88	30.85	11,352.40
Gross Block as at Mar 31 2020	3,249.81	10,178.67	1,096.88	30.85	14,556.21
Accumulated Depreciation					
Balance as at 1 April 2019	-	-	-	-	-
Transfer from Land - Leasehold*	253.00	-	-	-	253.00
Depreciation charge for the year	63.54	917.67	616.33	22.52	1,620.06
Accumulated Depreciation as at Mar 31 2020	316.54	917.67	616.33	22.52	1,873.06
Net Block as at Mar 31 2020	2,933.27	9,260.99	480.55	8.34	12,683.15
Net Block as at Mar 31 2019	-	-	-	-	-

*Consequent to the application of IND AS 116 w.e.f. 1st April, 2019, the balance of Land-Leasehold as appearing in the books have been transferred to Right of Use Assets (Refer Note No. 2).

Note No. 4

Investment Properties

(₹ in Lakhs)

Gross Carrying Amount (Deemed Cost)	
As at 1 April 2018	118.41
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	-
Balance as at 31 March 2019	118.41
Additions	-
Disposals/adjustments	-
Net Investment Property - Reclassified	(0.14)
Balance as at 31 March 2020	118.27
Accumulated Depreciation	
At 1 April 2018	4.87
Depreciation charge for the year	2.16
Disposals/adjustments for the year	-
Balance as at 31 March 2019	7.03
Depreciation charge for the year	2.82
Investment Property - Reclassified	(0.10)
Balance as at 31 March 2020	9.75
Net Book Value as at 31 March 2020	108.53
Net Book Value as at 31 March 2019	111.39

Investment Property is recognised and valued using Cost Model. Depreciation is calculated using Straight Line Method on the basis of useful life of assets

(i) Contractual Obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised Borrowing Cost

No borrowing costs were capitalised during the year ended 31 March 2020 or previous year ended 31 March 2019.

(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	31 March 2020	31 March 2019
Rental income	167.60	244.40
Less: Direct operating expenses that generated rental income	21.98	201.01
Less: Direct operating expenses that did not generated rental income	193.27	103.78
Profit/ (Loss) from leasing of Investment Properties	(47.65)	(60.38)

(v) Leasing Arrangements

Certain Investment Properties are leased to tenants under Long-Term Operating Leases with rentals payable monthly. These are all cancellable leases.

(vi) Fair Value

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Fair Value	4,317.73	4,168.59

The Company obtains independent valuations for its Investment Properties at least annually. The best evidence of Fair Value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Discounted Cash Flow projections based on reliable estimates of Future Cash Flows.
- Restrictions on remittance of income receipts or receipt of proceeds from disposals.
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
- The Fair Values of Investment Properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

Note No. 5

Intangible Assets

(₹ in Lakhs)

Particulars	Softwares	Brand Value	Total
Gross Carrying Amount			
Balance as at 1 April 2018	745.19	332.63	1,077.82
Additions	18.96	-	18.96
Disposals/adjustments	-	-	-
Balance as at 31 March 2019	764.15	332.63	1,096.79
Additions	7.76	-	7.76
Disposals/adjustments	-	-	-
Balance as at 31 March 2020	771.91	332.63	1,104.55
Accumulated Amortisation			
Balance as at 1 April 2018	436.56	114.00	550.56
Amortisation charge for the year	117.15	38.00	155.15
Disposals/adjustments for the year	-	-	-
Impairment	-	-	-
Balance as at 31 March 2019	553.71	152.00	705.71
Amortisation charge for the year	85.47	38.00	123.47
Disposals/adjustments for the year	-	-	-
Balance as at 31 March 2020	639.18	190.00	829.18
Net Book Value as at 31 March 2020	132.73	142.63	275.37
Net Book Value as at 31 March 2019	210.44	180.63	391.08

Note No.6
Financial Assets-Investments (Non-Current) *
Unquoted, unless otherwise stated

Name of the Body Corporate	(₹ in Lakhs)			
	As at 31 March 2020		As at 31 March 2019	
	No of Shares	Amount	No of Shares	Amount
(A) Trade Investments				
Investment in Equity Instruments				
(Fully paid stated at Cost)				
(i) In Joint Venture Companies				
Balmer Lawrie -Van Leer Ltd. (Ordinary Equity Shares of ₹10 each)	8,601,277	7,346.29	8,601,277	7,113.20
Transafe Services Ltd. (Ordinary Equity Shares of ₹10 each) Less : Provision for diminution in value	11,361,999	1,165.12 (1,165.12)	11,361,999	1,165.12 (1,165.12)
Balmer Lawrie (UAE) LLC (Ordinary Equity Shares of AED 1,000 each)	9,800	28,336.39	9,800	23,651.76
PT Balmer lawrie Indonesia** (Equity Shares of par value of Indonesian Rupiah (IDR) 10,000 each)	2,000,000	-	2,000,000	-
(ii) In Subsidiary Companies				
Balmer Lawrie (UK) Ltd.*** (Ordinary Equity Shares of GBP 1 each)	100	-	100	-
Vishakapatnam Port Logistics Park Ltd (Ordinary Equity Shares of ₹10 each)	81,038,978	-	81,038,978	-
(iii) In Associate Company				
AVI-OIL India (P) Ltd. (Ordinary Equity Shares of ₹10 each)	4,500,000	1,667.36	4,500,000	1,592.07
Investments in Preference Shares				
(Fully paid stated at Cost)				
Transafe Services Ltd. (Cumulative Redeemable Preference shares of ₹10 each) Less : Provision for diminution in value	13,300,000	1,330.00 (1,330.00)	13,300,000	1,330.00 (1,330.00)
Sub Total		37,350.04		32,357.03
(B) Other Investments				
(Fully paid stated at Cost)				
Bridge & Roof Co. (India) Ltd. (Ordinary Equity Shares of ₹10 each)	357,591	14.01	357,591	14.01
Biecco Lawrie Ltd. (Ordinary Equity Shares of ₹10 each) (Carried in books at a value of ₹1 only), net off Provision for diminution in value	195,900	-	195,900	-
RC Hobbytech Solution Pvt Ltd Less: Transfer to Incubator (Ordinary Equity Shares of ₹1350 each including premium)	5,555 (1,111)	74.99 (15.00)	5,555 -	74.99 -
Kanpur Flowercycling Pvt. Ltd. Less: Transfer to Incubator (Ordinary Equity Shares of ₹9592 each including premium)	626 (147)	60.05 (14.10)	626 -	60.05 -
Woodlands Multispeciality Hospitals Ltd. (Ordinary Equity Shares of ₹10 each)	8,850	0.45	8,850	0.45
Sub Total		120.40		149.50
Total		37,470.44		32,506.53
Aggregate amount of Quoted Investments at Cost		-		-
Aggregate amount of Unquoted Investments at Cost		37,470.44		32,506.53
Total		37,470.44		32,506.53

*These investments are carried as Fair Value through Profit and Loss and their carrying value approximates their Fair Value.

** Refer details given in Note No. 42.10 of the Notes to Accounts for the year.

*** Refer details given in Note No. 42.9 of the Notes to Accounts for the year.

Note No.7

Financial Assets-Loans (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Secured considered good		
Other Loans	217.62	240.89
Unsecured considered good		
Loans to Transafe Services Ltd.	-	180.00
Doubtful		
Loans to Transafe Services Ltd.	180.00	-
Others	24.92	24.92
Provision for Doubtful Loans		
Loans to Transafe Services Ltd.*	(180.00)	-
Others	(24.92)	(24.92)
Total	217.62	420.89

* Refer details given in Note No. 42.1(b) of the Notes to Accounts for the year.

Note No.8

Financial Assets-Others (Non- Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Unsecured		
Other Receivables- considered good	69.41	84.81
Dues from Transafe Services Ltd.- doubtful	80.87	80.87
Less : Provision thereof	(80.87)	(80.87)
Total	69.41	84.81

Note No.9

Deferred Tax Liabilities

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Deferred Tax Liability arising on account of :		
Property, Plant and Equipment	(4,682.06)	(6,157.70)
Deferred Tax Asset arising on account of :		
Adjustment for VRS expenditure	-	118.49
Provision for loans, debts, deposits & advances	1,455.12	2,885.22
Defined Benefit Plans	1,474.31	1,221.38
Provision for Inventory	100.32	139.88
Provision for dimunition in Investment	593.29	871.89
Net Liability due to profit transfer of Group Companies	(7,775.00)	(6,444.79)
Impairment of Assets	-	6.77
Others	-	(5.17)
Total	(8,834.02)	(7,364.03)

Movement in Deferred Tax Liabilities

Particulars				(₹ in Lakhs)
	As at 31 March 2019	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2020
Property, Plant and Equipment	(6,157.70)	1,475.64	-	(4,682.06)
Adjustment for VRS expenditure	118.49	(118.49)	-	-
Provision for loans, debts, deposits & advances	2,885.22	(1,430.10)	-	1,455.12
Defined Benefit Plans	1,221.38	33.46	219.47	1,474.31
Provision for Inventory	139.88	(39.56)	-	100.32
Provision for dimunition in Investment	871.89	(278.60)	-	593.29
Net Liability due to profit transfer of Group Companies	(6,444.79)	-	(1,330.21)	(7,775.00)
Impairment of Assets	6.77	(6.77)	-	-
Others	(5.17)	5.17	-	-
Total	(7,364.03)	(359.25)	(1,110.75)	(8,834.02)

Note No.10

Non Financial Assets - Others (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Security Deposits	683.19	690.46
Capital Advances	119.37	177.40
Balances with Government Authorities	270.60	267.14
Prepaid Expenses	20.73	7,781.56
Others	70.51	83.29
Total	1,164.40	8,999.85

Note No.11

Inventories

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Raw Materials and Components	9,087.64	9,352.96
Goods-in-transit	0.06	-
Slow Moving & Non Moving	205.59	168.45
Less: Adjustment for Slow Moving & Non Moving	(145.96)	(121.06)
Total - Raw Materials and Components	9,147.33	9,400.35
Work in Progress	1,177.56	966.40
Slow Moving & Non Moving	-	-
Less; Adjustment for Slow moving & Non moving	-	-
Total - Work in Progress	1,177.56	966.40
Finished Goods	3,289.08	2,882.55
Goods-in transit	30.35	120.74
Slow Moving & Non moving	143.37	199.05
Less: Adjustment for Slow Moving & Non Moving	(83.08)	(118.09)
Total - Finished Goods	3,379.72	3,084.25
Stores and Spares	740.10	770.82
Slow moving & non moving	230.55	232.64
Less: Adjustment for Slow Moving & Non Moving	(169.56)	(161.15)
Total - Stores and Spares	801.09	842.31
Total	14,505.70	14,293.31

[Refer to Point No.1.6 of "Significant Accounting Policies" for method of valuation of Inventories]

Note No.12

Trade Receivables

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Considered good - Unsecured	27,350.78	27,629.10
Trade Receivables- Credit Impaired	1,468.11	1,279.07
Less: Provision for Impairment	(1,468.11)	(1,279.07)
Grand Total	27,350.78	27,629.10
Trade receivables outstanding for a period less than six months		
Considered good - Unsecured	25,118.86	24,938.40
Trade Receivables- Credit Impaired	8.64	81.90
Less: Provision for Impairment	(8.64)	(81.90)
Sub Total	25,118.86	24,938.40
Trade receivables outstanding for a period exceeding six months		
Considered good - Unsecured	2,231.92	2,690.70
Trade Receivables- Credit Impaired	1,459.47	1,197.17
Less: Provision for Impairment	(1,459.47)	(1,197.17)
Sub Total	2,231.92	2,690.70
Total	27,350.78	27,629.10

Note No.13

Cash and Cash Equivalents

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Cash in hand	9.29	3.75
Balances with Banks - Current Account	2,256.96	5,494.84
Total	2,266.25	5,498.59

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 2020	(₹ in Lakhs) As at 31 March 2019
Unclaimed Dividend Accounts	459.46	363.19
Bank Term Deposits	42,451.09	38,630.13
Margin Money deposit with Banks	84.45	77.79
Total	42,995.00	39,071.11

Note No.15

Financial Assets -Loans (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Loans Receivables Considered good- Secured Loans (to employees)	54.05	53.45
Loans Receivables Considered good- Unsecured Other Advances (to employees)	27.74	30.70
Other Loans and advances	795.68	1,115.83
Total	877.47	1,199.98

Note No.16

Other Financial Assets (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Unsecured		
Accrued Income	2,395.59	2,226.70
Security Deposits	766.38	908.38
Other Receivables -Considered good	17,009.00	21,640.30
Other Receivables - Considered Doubtful	2,865.89	2,758.79
Less - Provision for doubtful Other Receivables	(2,865.89)	(2,758.79)
Total	20,170.97	24,775.38

Note No.17

Non Financial Assets (Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Balances with Government Authorities	3,260.68	1,612.19
Prepaid Expenses	558.73	848.11
Advances to Contractors & Suppliers -Considered good	2,007.72	2,011.60
Advances to Contractors & Suppliers -Doubtful	764.31	716.06
Less : Provision for Doubtful Advances to Contractors & Suppliers	(764.31)	(716.06)
Others	1,226.02	724.37
Total	7,053.15	5,196.27

Note No 18

Equity Share Capital

	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Authorised Capital		
300,000,000 (Previous Year 300,000,000) Equity Shares of ₹ 10 each	30,000.00	30,000.00
	30,000.00	30,000.00
Issued and Subscribed Capital		
114,002,564 (Previous Year 114,002,564) Equity Shares of ₹ 10 each	11,400.25	11,400.25
57,001,282 Bonus Shares issued during the year (Previous Year Nil)	5,700.13	-
	17,100.38	11,400.25
Paid-up Capital		
114,002,564 (Previous Year 114,002,564) Equity Shares of ₹ 10 each	11,400.25	11,400.25
57,001,282 Bonus Shares issued during the year (Previous Year Nil)	5,700.13	-
	17,100.38	11,400.25

a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the year.

	31 March 2020		31 March 2019	
	No of shares	Amount	No of shares	Amount
Equity Shares at the beginning of the year	114,002,564	11,400.25	114,002,564	11,400.25
Bonus Shares issued during the year	57,001,282	5,700.13	-	-
Equity Shares at the end of the year	171,003,846	17,100.38	114,002,564	11,400.25

b) Rights/preferences/restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No of shares	% holding	No of shares	% holding
Balmer Lawrie Investments Ltd.	105,679,350	61.80%	70,452,900	61.80%

i) There are no other shareholders holding 5% or more in the Issued Share Capital of the Company.

Note No 19

Other Equity

	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Securities Premium	3,626.77	3,626.77
General Reserve	29,903.69	35,603.82
Retained Earnings	105,832.39	100,835.80
Foreign Currency Translation Reserve	135.96	1,026.22
Other Comprehensive Income Reserve (OCI)	(1,215.94)	(539.77)
Minority Interest	(985.93)	(344.02)
Total (Other Equity)	137,296.94	140,208.82
	As at 31 March 2020	As at 31 March 2019
Securities Premium		
Opening balance	3,626.77	3,626.77
Add: Shares issued during the year	-	-
Sub total (A)	3,626.77	3,626.77
General Reserve		
Opening balance	35,603.82	35,603.82
Less : Bonus Shares issued during the year	(5,700.13)	-
Amount transferred from Retained Earnings	-	-
Sub total (B)	29,903.69	35,603.82

Retained Earnings		
Opening balance	99,613.31	93,732.13
Add : Net Profit for the year	15,480.91	19,694.87
Less : Appropriations		
Equity Dividend	(12,540.29)	(11,400.26)
Tax on Equity Dividend	(2,578.28)	(2,413.43)
Retained Earnings adjustments	4,634.25	-
Re-measurement Gain/Loss	-	-
Net surplus in Retained Earnings (C)	104,609.90	99,613.31
Foreign Currency Translation Reserve		
Opening balance	1,026.22	1,109.62
Movement	(890.26)	(83.40)
Sub Total (D)	135.96	1,026.22
Other Comprehensive Income (OCI) Reserve		
Opening balance	(539.77)	100.14
Movement	(676.17)	(639.91)
Sub Total (E)	(1,215.94)	(539.77)
Minority Interest		
Opening balance	(344.02)	(121.38)
Movement	(641.91)	(222.64)
Sub Total (F)	(985.93)	(344.02)
Total (A+B+C+D+E+F)	136,074.45	138,986.33

Nature and Purpose of Reserves within Other Equity

Securities Premium

Securities Premium represents premium received on issue of shares. This shall be utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve is a Free Reserve which is used from time to time to transfer profits from Retained Earnings for appropriation purposes.

Retained Earnings

Retained Earnings are the portion of Company's net income that is left out after distributing dividends to shareholders. These are kept aside by the Company for reinvesting it in the main business.

Foreign Currency Translation Reserve

This is generated on account of two principal reasons

- The amount generated out of conversion of Balance Sheet items at year end rate and P&L items at average rate.
- The amount generated on account of difference of conversions between previous year and current year rates

Other Comprehensive Income (OCI)

(i) The Company has elected to recognise changes in the Fair Value of certain investments in Equity securities in Other Comprehensive Income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) Equity Investments Reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant Equity securities are derecognised.

(ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income.

Note No.20

Financial Liabilities (Non - Current)

	As at 31 March 2020	(₹ in Lakhs) As at 31 March 2019
Borrowings*- Secured	9,407.85	7,608.24
Other Financial Liabilities		
Deposits- Unsecured	16.23	7.70
Total	9,424.08	7,615.94

***Borrowings include:-**

- (i) The Holding Company has availed Term Loan of ₹15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of Food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the Fixed and Movable Assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 half yearly equal instalments starting from 18 months from the date of first drawal.
- (ii) VPLPL a subsidiary of the company has availed ₹ 65.47 crores as loan out of sanctioned loan of Rs 125 crores at a rate of 10 basis point above three months MCLR rate. This loan is secured by first charge on the entire Fixed Assets (present and future) of VPLPL and equitable mortgage on the leasehold right of project land.

Note No.21**Provisions (Non - Current)**

Actuarial Provision
Long term Provisions

Total

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		2,551.55	2,249.76
		1,776.26	1,912.67
		4,327.81	4,162.43

Note No.22**Non Financial Liabilities - Others (Non - Current)**

Advance from Customers
Others

Total

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		8.55	3.55
		425.64	256.96
		434.19	260.51

Note No.23**Financial Liabilities (Current)**

Borrowings- Secured
Trade Payables- Unsecured
Payable to micro and small enterprises
Other Trade Payables

Sub Total**Total**

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		152.99	161.86
		328.26	324.16
		21,832.89	28,974.92
		22,161.15	29,299.08
		22,314.14	29,460.94

*Borrowings refer details given in Note No. 20

Note No.24**Other Financial Liabilities (Current)**

Current Maturities of Long Term Borrowings
Unclaimed Dividend *
Security Deposits
Other Liabilities

Total

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		264.22	306.39
		459.46	363.19
		3,435.14	3,527.11
		8,759.08	9,098.44
		12,917.90	13,295.13

* 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 - Other (Current)**

Advance from Customers
Statutory Dues
Deferred Gain/Income
Other Liabilities

Total

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		2,518.30	1,141.58
		1,564.38	508.53
		410.95	168.43
		5,301.82	3,416.64
		9,795.45	5,235.18

Note No.26**Current Provisions**

Actuarial Provision
Short term Provisions

Total

		(₹ in Lakhs)	
		As at 31	As at 31
		March 2020	March 2019
		467.75	432.19
		1,197.18	1,206.37
		1,664.93	1,638.56

Note No.27				(₹ in Lakhs)	
Current Tax Liabilities				As at 31	
				March 2020	
				March 2019	
	Provision for Taxation (Net of advance)			1,665.64	2,170.58
	Total			1,665.64	2,170.58
Note No.28				(₹ in Lakhs)	
Revenue From Operations				For the year	
				ended 31	
				March 2020	
				March 2019	
	Sale of Products			88,085.89	103,556.48
	Sale of Services			55,969.13	64,966.57
	Sale of Trading Goods			2,148.76	329.45
	Other Operating Income			7,239.90	8,668.31
	Total			153,443.68	177,520.81
Note No.29				(₹ in Lakhs)	
Other Income				For the year	
				ended 31	
				March 2020	
				March 2019	
	Interest Income				
	Bank Deposits			3,123.22	2,785.93
	Others			112.06	232.75
	Sub Total			3,235.28	3,018.68
	Dividend Income			6.50	3.15
	Other Non-operating Income				
	Profit on Disposal of Fixed assets			23.11	22.28
	Profit on Disposal of Investments			-	634.49
	Unclaimed balances and excess provision written back			1,263.99	1,068.77
	Gain on Foreign Currency Transactions (Net)			2.06	70.15
	Miscellaneous Income			523.52	665.35
	Sub Total			1,812.68	2,461.04
	Total			5,054.46	5,482.87
Note No.30				(₹ in Lakhs)	
Cost of Materials Consumed & Services Rendered				For the year	
				ended 31	
				March 2020	
				March 2019	
	Cost of Materials Consumed			60,194.67	74,752.68
	Cost of Services Rendered			30,561.07	35,777.50
	Total			90,755.74	110,530.18
Note No.31				(₹ in Lakhs)	
Purchase of Trading Goods				For the year	
				ended 31	
				March 2020	
				March 2019	
	Trading Goods			2,075.61	329.45
	Total			2,075.61	329.45
Note No.32				(₹ in Lakhs)	
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress				For the year	
				ended 31	
				March 2020	
				March 2019	
	Change in Finished Goods				
		Opening		3,084.25	3,107.40
		Closing		3,379.72	3,084.25
		Change		(295.47)	23.15
	Change in Work-In-Progress				
		Opening		966.40	1,287.07
		Closing		1,177.56	966.40
		Change		(211.16)	320.67
	Total			(506.63)	343.82

Note No.33**Employee Benefits Expenses**

Salaries and Incentives	
Contribution to Provident & Other Funds	
Staff Welfare Expenses	

Total

	(₹ in Lakhs)
For the year ended 31	For the year ended 31
March 2020	March 2019
17,135.48	17,463.57
2,448.80	2,187.10
1,917.21	1,619.71
21,501.49	21,270.38

Note No.34**Finance Costs**

Interest Cost	
Bank Charges*	
Interest Cost on ROU Liabilities	

Total

	(₹ in Lakhs)
For the year ended 31	For the year ended 31
March 2020	March 2019
1,061.61	558.10
144.18	154.27
281.20	-
1,486.99	712.37

* 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**

Depreciation on:	
Property Plant & Equipment	
Right of Use Assets	
Investment Properties	
Amortisation of Intangible Assets	

Total

	(₹ in Lakhs)
For the year ended 31	For the year ended 31
March 2020	March 2019
3,426.78	2,873.94
1,620.06	-
2.82	2.16
123.47	155.15
5,173.13	3,031.25

Note No.36**Other Expenses**

Manufacturing Expenses	
Consumption of Stores and Spares	
Repairs & Maintenance - Buildings	
Repairs & Maintenance - Plant & Machinery	
Repairs & Maintenance - Others	
Power & Fuel	
Electricity & Gas	
Rent	
Insurance	
Packing, Despatching, Freight and Shipping Charges	
Rates & Taxes	
Auditors Remuneration and Expenses	
Impairment of Assets	
Write off of Debts, Deposits, Loan & Advances	
Provision for Doubtful Debts & Advances	
Fixed Assets Written Off	
Loss on Disposal of Fixed Assets	
Selling Commission	
Cash Discount	
Travelling Expenses	
Printing and Stationary	
Motor Car Expenses	
Communication Charges	
Corporate Social Responsibility Expenses	
Miscellaneous Expenses	

Less: Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back

Total

	(₹ in Lakhs)
For the year ended 31	For the year ended 31
March 2020	March 2019
1,609.42	1,679.77
800.42	889.24
368.72	276.50
458.66	414.73
630.42	561.95
2,473.14	2,563.00
436.88	407.47
762.45	1,372.32
309.47	270.21
3,848.56	4,257.08
162.64	161.28
28.17	27.46
-	19.36
1,294.78	481.97
1,370.10	1,561.07
1.54	12.40
2.35	406.04
295.51	409.89
278.23	340.22
946.22	988.33
223.82	297.03
147.45	153.71
331.11	286.73
514.66	516.24
3,832.92	4,550.88
21,127.64	22,904.88
(459.98)	(775.86)
20,667.66	22,129.02

Payment to Auditors as:

Statutory/ Branch Auditors	
Tax Audit	
Other Certification	
Reimbursement of Expenses	

Total Payment to Auditors

21.77	22.02
0.85	0.85
3.45	2.30
2.10	2.29
28.17	27.46

Note No. 37
Tax expense

	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Current Tax	5,878.18	8,865.80
Deferred Tax	359.25	424.13
Prior Period	(710.00)	(743.22)
Total	5,527.43	8,546.71

The major components of Income Tax expense and the reconciliation of expense based on the domestic Effective Tax rate of 25.168% (31 March 2019: 34.944%) and the reported tax expense in Profit or Loss are as follows:

Accounting Profit before Income Tax	17344.15	24657.21
At Country's Statutory Income Tax rate of 25.168% (31 March 2019: 34.944%)	25.168%	34.944%
Tax Expense	4,365.18	8,616.22
Adjustments in respect of Current Income Tax		
Current Income Tax of Foreign Subsidiary	0.63	5.63
Tax impact on Deemed Dividend of Foreign Subsidiary	160.09	-
Non-deductible expenses for tax purposes		
Provisions (Net)	499.23	556.43
CSR Expenses	129.53	180.39
Gratuity Liability of previous year paid in current year	-	-
VRS Expenses	(85.34)	(184.03)
Depreciation difference	(154.47)	6.48
Impairment of Asset	0.98	6.77
Additional deduction for R&D expenses in Income Tax	-	(322.08)
Loss of Subsidiaries	962.35	-
Adjustments in respect of Previous Years Income Tax	(710.00)	(743.22)
Total	5,168.18	8,122.58

Note No. 38
Other Comprehensive Income

	(₹ in Lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
(A) Items that will not be reclassified to Profit or Loss		
(i) Remeasurement Gains/ (Losses) on Defined Benefit Plans	(872.01)	(925.66)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	219.47	323.46
(B) Items that will be reclassified to Profit or Loss		
(i) Items that will be reclassified to Profit or Loss	-	-
(ii) Income Tax relating to items that will be reclassified to Profit or Loss	-	-
(C) Other Comprehensive Income of Joint Ventures and Associates (Net)	(23.63)	(37.71)
Total	(676.17)	(639.91)

Note No. 39
Earnings per Equity Share

	(₹ in Lakhs except share data)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Net profit attributable to Equity shareholders		
Profit after Tax	16,122.83	19,917.51
Profit attributable to Equity holders of the parent adjusted for the effect of dilution	16,122.83	19,917.51
Nominal value of equity share (₹)	10	10
Weighted-average number of Equity Shares for EPS*	171,003,846	171,003,846
Basic/Diluted Earnings Per Share (₹)*	9.43	11.65

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.

***Consequent to the approval of share holders, vide postal ballot, the Company accorded for allotment of 5,70,01,282 Bonus Shares in the proportion of one new Equity Shares for every two existing Equity Shares held by the shareholders/ beneficial owners in the Company. Accordingly, a sum of ₹ 5,700.13 Lakhs has been capitalised and transferred from General Reserve to Equity Share Capital Account on allotment of fully paid Bonus Shares on December 30, 2019. The Earnings Per Share for all the years presented have been adjusted for Bonus issue.**

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 ₹ 1368.22 Lakhs (₹ 1142.24 Lakhs); Superannuation Fund ₹ 679.11 Lakhs (₹ 629.07 Lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 9.38 Lakhs (₹ 16.39 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".

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:

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Defined Benefit Obligation	6,378.65	5,931.59
Fair value of Plan Assets	5,748.26	5,248.30
Net Defined Benefit Obligation	630.39	683.28

(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:

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Opening value of Defined Benefit Obligation	5,931.59	5,531.35
Add: Current service cost	416.13	350.24
Add: Current interest cost	361.53	386.22
Plan amendment : Vested portion at end of period (past service)	-	-
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	400.28	443.68
- changes in financial assumptions	330.48	119.13
Add: Acquisition adjustment	9.97	-
Less: Benefits paid	(1,071.33)	(899.02)
Closing value of Defined Benefit Obligation thereof-	6,378.65	5,931.59
Unfunded	630.39	683.28
Funded	5,748.26	5,248.30

(ii) The Defined Benefit Obligation in respect of gratuity plans was determined using the following actuarial assumptions:

Assumptions	As at 31-Mar-2020	As at 31-Mar-2019
Discount rate (per annum)	6.70%	7.60%
Rate of increase in compensation levels/Salary growth rate	6.00%	6.00%
Expected average remaining working lives of employees (years)	11	11

(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:

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Opening balance of Fair Value of Plan Assets	5,248.30	5,508.91
Add: Contribution by employer	1,125.68	460.64
Return on Plan Assets excluding Interest Income	8.58	(240.90)
Add: Interest income	427.06	418.68
Add: Acquisition adjustment	9.97	-
Less: Benefits paid	(1,071.33)	(899.02)
Closing balance of Fair Value of Plan Assets	5,748.26	5,248.30

(iv) Expense related to the Holding Company's Defined Benefit Plans in respect of gratuity plan is as follows:

Amount recognised in Other Comprehensive Income	(₹ in Lakhs)	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Actuarial (gain)/loss on obligations-changes in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-changes in financial assumptions	330.48	119.13
Actuarial (gain)/loss on obligations-Experience adjustment	400.28	443.68
Return on Plan Assets excluding Interest Income	8.58	(240.90)
Total expense/ (income) recognized in the statement of Other Comprehensive Income	722.19	803.70

Amount recognised in the Statement of Profit & Loss	(₹ in Lakhs)	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Current service cost	416.13	350.24
Past service cost (vested)	-	-
Net Interest cost (Interest Cost-Expected return)	(65.53)	(32.46)
Total expense recognized in the Statement of Profit & Loss	350.60	317.78

Amount recognised in Balance Sheet	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Defined Benefit Obligation	6,378.65	5,931.59
Classified as:		
Non-Current	6,361.58	4,890.65
Current	17.07	1,040.94

	As at 31-Mar-2020	As at 31-Mar-2019
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	435.64	177.78

(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:

Particular	As at 31-Mar-2020	As at 31-Mar-2019
Government of India securities/ State Government securities	47.23%	46.61%
Corporate Bonds	45.48%	47.24%
Others	7.29%	6.15%
Total Plan Assets	100.00%	100.00%

Interest costs have been included under 'finance costs' and service cost has been recorded under 'employee benefits expense' in 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 2020	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined Benefit Obligation after change	6,191.00	6,579.00
Original Defined Benefit Obligation	6,378.65	6,378.65
Increase/(decrease) in Ddefined Benefit Obligation	(187.65)	200.35
Changes in salary growth rate in %	0.50	0.50
Defined Benefit Obligation after change	6,507.00	6,253.00
Original Defined Benefit Obligation	6,378.65	6,378.65
Increase/(decrease) in Defined Benefit Obligation	128.35	(125.65)
Changes in attrition rate in %	0.50	0.50
Defined Benefit Obligation after change	6,379.00	6,378.00
Original Defined Benefit Obligation	6,378.65	6,378.65
Increase/(decrease) in Defined Benefit Obligation	0.35	(0.65)
Changes in mortality rate in %	10.00	10.00
Defined Benefit Obligation after change	6,381.00	6,376.00
Original Defined Benefit Obligation	6,378.65	6,378.65
Increase/(decrease) in Defined Benefit Obligation	2.35	(2.65)

(₹ in Lakhs)

Particulars	31 March 2019	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined Benefit Obligation after change	5,776.00	6,096.00
Original Defined Benefit Obligation	5,931.59	5,931.59
Increase/(decrease) in Defined Benefit Obligation	(155.59)	164.41
Changes in salary growth rate in %	0.50	0.50
Defined Benefit Obligation after change	6,034.00	5,832.00
Original Defined Benefit Obligation	5,931.59	5,931.59
Increase/(decrease) in Defined Benefit Obligation	102.41	(99.59)
Changes in attrition rate in %	0.50	0.50
Defined Benefit Obligation after change	5,936.00	5,928.00
Original Defined Benefit Obligation	5,931.59	5,931.59
Increase/(decrease) in Defined Benefit Obligation	4.41	(3.59)
Changes in mortality rate in %	10.00	10.00
Defined Benefit Obligation after change	5,962.00	5,901.00
Original Defined Benefit Obligation	5,931.59	5,931.59
Increase/(decrease) in Defined Benefit Obligation	30.41	(30.59)

B. Post Retirement Medical Benefits Scheme (Non-funded)

The Post Retirement Medical Benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependent spouse, parents and children as per applicable rules.

(₹ in Lakhs)

Particulars	As at	As at
	31-Mar-2020	31-Mar-2019
Opening value of Defined Benefit Obligation	406.13	376.60
Add: Current service cost	-	-
Add: Current interest cost	22.02	24.19
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	-	-
- changes in experience adjustment	116.30	109.91
- changes in financial assumptions	33.52	12.05
Less: Benefits paid	(155.06)	(116.62)
Closing value of Defined Benefit Obligation thereof-	422.92	406.13
Unfunded	422.92	406.13
Funded	-	-

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	For the year ended	For the year ended
	31-Mar-2020	31-Mar-2019
Actuarial (gain)/loss on obligations-change in demographic assumptions	-	-
Actuarial (gain)/loss on obligations-change in financial assumptions	33.52	12.05
Actuarial (gain)/loss on obligations-experience adjustment	116.30	109.91
Total expense/ (income) recognized in the Statement of Other Comprehensive Income	149.82	121.96

(₹ in Lakhs)

Amount recognised in the Statement of Profit & Loss	For the year ended	For the year ended
	31-Mar-2020	31-Mar-2019
Current service cost	-	-
Net Interest cost(Interest Cost-Expected Return)	22.02	24.19
Total expense recognized in the Statement of Profit & Loss	22.02	24.19

Assumptions	As at	As at
	31-Mar-2020	31-Mar-2019
Discount rate (per annum)	6.70%	7.60%
Superannuation age	60	60
Early retirement & disablement	0.10%	0.10%

(₹ in Lakhs)

Amount recognised in Balance Sheet	As at	As at
	31-Mar-2020	31-Mar-2019
Defined Benefit Obligation	422.92	406.13
Classified as:		
Non-Current	354.64	341.36
Current	68.28	64.77

Sensitivity Analysis

(₹ in Lakhs)

Particulars	31 March 2020	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined Benefit Obligation after change	409.00	436.00
Original Defined Benefit Obligation	422.92	422.92
Increase/(decrease) in Defined Benefit Obligation	(13.92)	13.08
Changes in mortality rate in %	10.00	10.00
Defined Benefit Obligation after change	414.00	430.00
Original Defined Benefit Obligation	422.92	422.92
Increase/(decrease) in Defined Benefit Obligation	(8.92)	7.08

(₹ in Lakhs)

Particulars	31 March 2019	
	Increase	Decrease
Changes in discount rate in %	0.50	0.50
Defined Benefit Obligation after change	394.00	418.00
Original Defined Benefit Obligation	406.13	406.13
Increase/(decrease) in Defined Benefit Obligation	(12.13)	11.87
Changes in mortality rate in %	10.00	10.00
Defined Benefit Obligation after change	397.00	413.00
Original Defined Benefit Obligation	406.13	406.13
Increase/(decrease) in Defined Benefit Obligation	(9.13)	6.87

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 ₹ 141.60 Lakhs (₹ 832.10 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Leave Encashment (Non-funded)	As at	As at
	31-Mar-2020	31-Mar-2019
Amount recognised in Balance Sheet:		
Current	172.75	201.36
Non Current	871.57	701.36

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 ₹ 0.80 Lakhs [₹ (-) 20.19 Lakhs] has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Long Service Award (Non-funded)	As at	As at
	31-Mar-2020	31-Mar-2019
Amount recognised in Balance Sheet:		
Current	69.28	60.73
Non Current	417.95	346.57

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. An amount of ₹ 240.83 Lakhs (₹ 358.90 Lakhs) has been recognised in the Statement of Profit and Loss.

(₹ in Lakhs)

Half Pay Leave (Non-funded)	As at	As at
	31-Mar-2020	31-Mar-2019
Amount recognised in Balance Sheet:		
Current	157.45	105.33
Non Current	901.24	712.52

Note No. 41**Leases****(i) Transition to Ind AS 116**

Effective 1st April, 2019, the Group has adopted Ind AS 116 "Leases" (the standard) and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective approach. Consequently, the Group has recorded the Lease Liability at the Present Value of the lease payments discounted at the incremental borrowing rate and the Right of Use Asset at its Carrying Amount as if the standard had been applied since the commencement date of the lease, but discounted at the Holding Company's incremental borrowing rate at the date of initial application. Comparatives as at/ for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the erstwhile standard. (Refer Note No. 03 and Para 1.17 of the Significant Accounting Policies).

(ii) Amounts recognised in Balance Sheet

		(₹ in Lakhs)			
Right of Use Liability		As at 31 March 2020			
Particulars	Right of Use-Land Leasehold	Right of Use - Others			Total
		Buildings	Plant & Machinery	Electrical Equipments	
Current	-	563.21	436.29	8.34	1,007.84
Non Current	-	1,285.52	64.18	-	1,349.70
Total	-	1,848.73	500.47	8.34	2,357.54

(iii) Reconciliation of Lease Liabilities

		(₹ in Lakhs)			
Particulars		As at 31 March 2020			
	Right of Use-Land Leasehold	Right of Use - Others			Total
	Land Leasehold	Buildings	Plant & Machinery	Electrical Equipments	
Opening Balance of Right of Use Lease Liabilities	-	2,289.63	1,096.51	30.85	3,416.99
Add: Interest expenses on lease liabilities	-	199.49	79.75	1.96	281.20
Less: Rental expenses paid during the year	-	(640.39)	(675.79)	(24.47)	(1,340.65)
Total	-	1,848.73	500.47	8.34	2,357.54

(iv) Maturity profile of the Lease Liabilities :

		(₹ in Lakhs)			
Year ended March 31, 2020		Within 1 year	1-3 years	More than 3 years	Total
Lease Liability		1,007.84	774.87	574.83	2,357.54

(v) The following are the amounts recognised in the statement of Profit and Loss:

		(₹ in Lakhs)			
Particulars		For the year ended 31 March 2020			
	Right of Use-Land Leasehold	Right of Use - Others			Total
		Buildings	Plant & Machinery	Electrical Equipments	
Depreciation expense of Right of Use assets	63.54	917.67	616.33	22.52	1,620.06
Interest expense on Lease Liabilities	-	199.49	79.75	1.96	281.20
Rent expense in term of short term leases/ low value leases	-	762.45	-	209.77	972.22
Total	63.54	1,879.61	696.08	234.25	2,873.48

(vi) Total Cash Outflow due to Leases

		(₹ in Lakhs)
Lease Rentals paid during the year		(1,340.65)

(vii) 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.

Note-42 Additional Disclosures

42.1 Disclosure of Interests in Subsidiaries, Joint Venture Companies and Associates

<u>Name of Subsidiary/ Joint Venture Company/ Associate</u>	<u>Nature of Relationship</u>	<u>Proportion of Shareholding</u>	<u>Country of Incorporation</u>
Balmer Lawrie (UK) Ltd.	Subsidiary	100%	United Kingdom
Visakhapatnam Port Logistics Park Ltd.	Subsidiary	60%	India
Balmer Lawrie (UAE) LLC	Joint Venture	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd.	Joint Venture	48%	India
Transafe Services Ltd.	Joint Venture	50%	India
Avi Oil India (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, 2020 except for Balmer Lawrie (UAE) LLC which follows accounting year as the calendar year ending December 31, 2019.

b. The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the Company ceases to have joint control or have any significant influence over TSL and TSL ceases 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 for the year ending 31.03.2020. However, for the year ending 31.03.2019, TSL was considered a Related Party and therefore, the figures of Previous Year ending 31.03.2019 have not been reclassified.

- 42.2 10,56,79,350 (7,04,52,900) Equity Shares are held by Balmer Lawrie Investments Ltd. (The Holding Company).
- 42.3 (a) Conveyance deeds of certain Leasehold Land costing ₹2,427.39 Lakhs (₹2,484.37 Lakhs) and Buildings, with written down value of ₹3,349.16 Lakhs (₹3,211.46 Lakhs) are pending registration/ mutation.
(b) Certain buildings & sidings with written down value of ₹7,498.33 Lakhs (₹6,603.58 Lakhs) are situated on Leasehold/ rented Land. Some of the leases with Kolkata Port trust have expired and are under renewal.
- 42.4 **Contingent Liabilities as at 31st March, 2020 not provided for in the accounts are:**
(a) Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax, Sales Tax and GST amounting to ₹6585.74 Lakhs (₹14,345.86 Lakhs) against which the Company has lodged appeal/petition before appropriate authorities.
(b) Claims against the company not acknowledged as debts amount to ₹943.01 Lakhs (₹1,076.63 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.
- 42.5 (a) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to ₹8187.35 Lakhs (₹8,794.18 Lakhs)
(b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹3300.77 Lakhs (₹1,562.87 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, 2020 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 The words "Property, Plant & Equipment" wherever appearing in para 5 of Significant Accounting Policy No.1.3 should be read as "Plant & Machinery". This shall be subsequently approved by the company.
- 42.9 During the previous financial year 2018-19, the company started the process of closing down the Wholly Owned Subsidiary Balmer Lawrie (UK) Limited (BLUK) and as a part of restructuring initiative a comprehensive portion of its Paid-up Shares was purchased back by the Subsidiary Company as per laid down guidelines of the United Kingdom. The Wholly Owned Subsidiary issued Share Capital now stands at 100 Equity Shares with a Face Value of US \$ 1 each, which are still held by the Company.
- 42.10 During the previous financial year 2018-19, as a part of restructuring of BLUK, its 50% share (2,000,000 shares) in PT. Balmer Lawrie Indonesia (PTBLI) were transferred to the Company and Investment in PTBLI to the tune of ₹1027.32 Lakhs was recognised. During the current financial year, it has been decided that since currently the Net Worth of PTBLI is negative, a provision to the tune of ₹1027.32 Lakhs is created in the books of accounts of the Company and the amount to be paid to BLUK against the same is also adjusted.

42.11 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.

42.12 **Impact of COVID-19 pandemic**

The spread of Covid-19 has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines, social distancing and other emergency measures.

Some of the services of the company have been identified as Essential Services and have been permitted to be allowed during the lockdown phases. The Company is also running its manufacturing facilities and is providing goods and services to its Customers.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its Assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and Investments as at the Balance Sheet date, and based on the internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts has concluded that no material adjustments are required to be made in the financial results.

The management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results. 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.

42.13 Financial Statements of PT Balmer Lawrie Indonesia (PTBLI) for the year ended March 31, 2020 as prepared by the management of PTBLI has been considered for preparing the Consolidated Financial Statements of the Company.

- 42.14 (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.	<u>Prabal Basu</u>	<u>Sandip Das</u>	<u>Adika Ratna Sekhar</u>	<u>Adhip Nath Palchaudhuri</u>	<u>Kavita Bhavsar</u>
Chartered Accountants	Chairman and	Director (Finance)	Director (HR&CA)	Director	Company
Firm Registration No. 302166E	Managing	& Chief Financial		(Service Businesses)	Secretary
	Director	Officer			

CA L. K. Shroff
 Partner
 Membership No. 060742

Place: Kolkata
Date: 24th June, 2020

Note : 43
Segment Revenue

(₹ in Lakhs)

	31 March 2020			31 March 2019		
	Total Segment Revenue	Inter Segment Revenue	Revenue from External customers	Total Segment Revenue	Inter Segment Revenue	Revenue from External Customers
Industrial Packaging	55,430	2,158	53,272	64,086	1,083	63,003
Logistics Infrastructure	18,265	199	18,066	18,591	33	18,558
Logistics Services	27,310	951	26,359	33,246	62	33,184
Travel & Vacations	17,060	3,896	13,164	15,977	314	15,663
Greases & Lubricants	37,160	5,931	31,229	37,600	95	37,505
Others	12,429	1,075	11,354	9,614	6	9,608
Total Segment Revenue	167,654	14,210	153,444	179,114	1,593	177,521

Segment Profit before Income Tax

(₹ in Lakhs)

	31 March 2020	31 March 2019
Industrial Packaging	5,390	5,416
Logistics Infrastructure	2,476	4,373
Logistics Services	4,454	7,971
Travel & Vacations	5,502	6,025
Greases & Lubricants	3,432	3,854
Others	(3,910)	(2,982)
Total Segment Profit	17,344	24,657

Segment Assets

(₹ in Lakhs)

	31 March 2020				31 March 2019			
	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	30,812	-	-	30,812	54,865	-	-	54,865
Logistics Infrastructure	37,861	-	-	37,861	22,111	-	-	22,111
Logistics Services	9,385	-	-	9,385	12,202	-	-	12,202
Travel & Vacations	33,478	-	-	33,478	34,239	-	-	34,239
Greases & Lubricants	17,111	-	-	17,111	10,136	-	-	10,136
Others	40,178	-	-	40,178	20,610	-	-	20,610
Total Segment Assets	168,824	-	-	168,824	154,163	-	-	154,163
Unallocated								
Deferred Tax Assets	-	-	-	-	-	-	-	0
Investments	14,007	(1,056)	-	12,951	13,841	166	-	14,007
Derivative Financial Instruments	-	-	-	-	-	-	-	-
Other Assets	51,761	-	-	51,761	60,045	-	-	60,045
Total Assets as per the Balance Sheet	234,592	(1,056)	-	233,536	228,049	166	-	228,215

Impairment of Assets

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Industrial Packaging	-	19
Logistics Infrastructure	-	-
Logistics Services	-	-
Travel & Vacations	-	-
Greases & Lubricants	-	-
Others	-	-
Total Impairment of Assets	-	19

Segment Liabilities

(₹ in Lakhs)

	31 March 2020	31 March 2019
Industrial Packaging	7,990	8,784
Logistics Infrastructure	17,407	7,624
Logistics Services	7,806	10,889
Travel & Vacations	8,492	11,784
Greases & Lubricants	4,291	6,169
Others	10,205	17,168
Total Segment Liabilities	56,191	62,418
Intersegment eliminations	-	-
Unallocated		
Deferred Tax Liabilities	1,059	919
Current Tax Liabilities	1,690	3,215
Current Borrowings	153	306
Non current Borrowings	854	1,224
Derivative Financial Instruments	-	-
Other Liabilities	13,789	3,121
Total Liabilities as per the Balance Sheet	73,736	71,203

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 2020		31 March 2019	
	Fair value through Profit or Loss	Amortised Cost*	Fair value through Profit or Loss	Amortised Cost*
Financial Assets				
Equity Instruments**	120.40	-	149.50	-
Trade Receivables	-	27,350.78	-	27,629.10
Other Receivables	-	17,009.00	-	21,640.30
Loans	-	1,095.09	-	1,620.87
Accrued Income	-	2,395.59	-	2,226.70
Security Deposit	-	766.38	-	908.38
Cash and Cash Equivalents	-	2,266.25	-	5,498.59
Other Bank Balances	-	42,995.00	-	39,071.11
Total- Financial Assets	120.40	93,878.09	149.50	98,595.05
Financial Liabilities				
Trade Payables	-	22,161.15	-	29,299.08
Security Deposit	-	3,451.37	-	3,534.81
Other Financial Liabilities	-	8,759.08	-	9,098.44
Total- Financial Liabilities	-	34,371.60	-	41,932.33

*All Financial Assets/Liabilities stated above are measured at Amortised Cost and their respective Carrying Values are not considered to be materially different from their Fair Values.

**1. Investment in Equity instrument of Subsidiaries, Joint Ventures and Associates have been carried at cost with subsequent increases in value due to consolidation under Ind AS 110 using Equity Method for Joint Ventures and Associates.

**2. This investment includes investment in other unquoted securities and the management estimates that its Fair Value would not be materially different from its carrying value, hence no Fair Value hierarchy disclosures are given in respect to these instruments.

ii) Risk Management

The Group's activities expose it to Market Risk, Liquidity Risk and Credit Risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade Receivables, Cash and Cash Equivalents, Derivative Financial Instruments, Financial Assets measured at amortised cost.	Ageing Analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, 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 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 counter party resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. The Holding Company receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous 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 taken with various public and private sector banks having the high credit ratings.

B) Liquidity Risk

Liquidity risk arises from borrowings and other liabilities. The Holding 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) and expects to repay the same as per schedule. The three tranche of ₹ 1.25 Crores each amounting to ₹ 3.75 Crores was paid as and when it was due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the 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.

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 on account of total erosion of Net Worth and hence no further income is being accrued on this account (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.

The Holding Company has an insignificant amount of ₹ 11.25 Crores of debt outstanding on the current Balance sheet date and a subsidiary Visakhapatnam Port Logistics Park Limited has a debt of Rs.85.54 crores outstanding as on balance sheet date.

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
Total Equity	159,799.92	157,011.67
Total Assets	233,535.62	228,214.97
Equity Ratio	68.43%	68.80%

Particulars	(₹ in Lakhs)	
	As at 31-Mar-2020	As at 31-Mar-2019
(i) Dividend recognised at the end of the reporting period		
Final dividend for the year ended 31 March 2019 of ₹ 11 (31 March 2018 of ₹ 10) per fully paid share (Net of Dividend Distribution Tax).	12,540.29	11,400.26
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year-end, the directors have recommended the payment of final dividend of ₹ 7.50 (31 March 2019 ₹ 11) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	12,825.29	12,540.29

Note No. 46
Interest in Other Entities

a) Subsidiaries

The group's subsidiaries as at 31 March 2020 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 2020	31 March 2019	31 March 2020	31 March 2019
Balmer Lawrie UK Ltd.	United Kingdom	100%	100%	NIL	NIL
Vishakhapatnam Port Logistics Park Ltd.	India	60%	60%	40%	40%

(b) Interest in associates and joint ventures

Name of Entity	Place of business/ country of incorporation	% of Ownership Interest	Relationship	Accounting method
Balmer Lawrie (UAE) LLC	United Arab Emirates	49.00%	Joint Venture	Equity Method
Balmer Lawrie Van Leer Ltd.	India	47.91%	Joint Venture	Equity Method
Transafe Services Ltd.*	India	50.00%	Joint Venture	Equity Method
Avi Oil India (P) Ltd.	India	25.00%	Associate	Equity Method
PT Balmer Lawrie Indonesia	Indonesia	50.00%	Joint Venture	Equity Method
Total Equity Accounted Investments				

Avi Oil India (P) Ltd. is classified as an associate on the basis of the shareholding pattern which leads to significant influence over the Company by the Holding Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd., PT Balmer Lawrie Indonesia and Transafe Services Ltd. both the partners have equal nominee representatives in the Board. Hence, these entities are classified as joint ventures and the Company recognises its share in net assets through equity method except for Transafe Services Ltd. (Refer below)

*The 'Corporate Insolvency Resolution Process' (CIRP) has been initiated by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated November 21, 2019 in respect of M/s Transafe Services Limited (TSL), under the provisions of "The Insolvency and Bankruptcy Code, 2016" (IB Code). As directed by the Insolvency Resolution Professional (IRP), the powers of the Board of Directors of TSL stands suspended as per Section 17 of the IB Code from the order date and such powers are now being exercised by the IRP appointed by the Hon'ble NCLT. Consequent to the same, the company ceases to have joint control or have any significant influence over TSL.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

(₹ in lakhs)

Summarised Balance Sheet	31 March 2020	31 March 2019
Capital Commitments	3,300.77	569.96
Contingent Liabilities		
Claims not acknowledged as debts	943.01	70.44
Counter Guarantees	8,187.35	2,180.54
Disputed demands	6,585.74	4,101.49
Total Commitments and Contingent Liabilities	19,016.87	6,922.43

(c) Summarised financial information for Associates and Joint Ventures

Associate

(₹ in lakhs)

Summarised Balance Sheet	Avi Oil India Pvt. Ltd.	
	31 March 2020	31 March 2019
Current Assets	5,737.31	5,363.84
Current Liabilities	783.66	479.74
Net Current Assets	4,953.65	4,884.10
Non-Current Assets	2,589.90	2,055.93
Non-Current Liabilities	874.12	571.74
Net Non-Current Assets	1,715.78	1,484.19
Net Assets	6,669.43	6,368.29

Joint Ventures

(₹ in lakhs)

Summarised Balance Sheet	Balmer Lawrie Van Leer Ltd.		Transafe Services Ltd.*	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Cash & Cash Equivalents	1,705.95	425.00	-	63.49
Current assets excluding Cash & Cash Equivalents	18,212.82	17,036.00	-	3,030.28
Current Financial liabilities (excluding Trade payables)	15,573.84	12,595.00	-	17,247.89
Other Current Liabilities	4,769.16	4,445.00	-	2,080.34
Net Current Assets	(424.23)	421.00	-	(16,234.46)
Non-Current Assets	21,515.09	17,860.00	-	9,415.67
Non-Current Financial Liabilities (excluding Trade Payables)	5,042.50	2,337.00	-	4,988.28
Other Non-Current Liabilities	714.84	1,097.00	-	64.38
Net Non-Current Assets	15,757.75	14,426.00	-	4,363.01
Net Assets	15,333.52	14,847.00	-	(11,871.45)

(₹ in lakhs)

Summarised Balance Sheet	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2020	31 March 2019	31 Dec 2019	31 Dec 2018
Cash & Cash Equivalents	113.99	50.92	2,513.00	2,389.52
Current assets excluding Cash & Cash Equivalents	1,658.41	2,034.20	53,057.99	51,191.20
Current Financial Liabilities (excluding Trade Payables)	1,399.97	791.18	524.76	10,518.86
Other Current Liabilities	360.03	1,016.62	9,134.23	-
Net Current Assets	12.41	277.32	45,911.99	43,061.86
Non-Current Assets	1,159.99	1,263.90	19,105.55	7,768.13
Non-Current Financial Liabilities (excluding Trade Payables)	1,788.23	1,847.06	7,188.17	2,561.10
Other Non-Current Liabilities	-	-	-	-
Net Non-Current Assets	(628.25)	(583.16)	11,917.38	5,207.03
Net Assets	(615.84)	(305.84)	57,829.37	48,268.89

Associate

(₹ in lakhs)

Summarised Statement of Profit and Loss	Avi Oil India Pvt. Ltd.	
	31 March 2020	31 March 2019
Revenue	4,697.00	6,318.57
Interest income including other income	96.10	126.23
Cost of Sales	1,938.91	2,871.48
Employee benefits expense	1,019.85	1,021.29
Depreciation and amortisation	280.33	215.39
Interest expense	62.02	32.73
Other expenses	766.40	1,103.83
Income tax expense	181.15	350.17
Profit for the year	544.44	849.91
Other Comprehensive Income (net of tax)	27.95	(23.81)
Total Comprehensive Income	572.39	826.10
Dividend received	56.25	67.50

Joint Ventures

(₹ in lakhs)

Summarised Statement of Profit and Loss	Balmer Lawrie Van Leer Ltd.		Transafe Services Ltd.	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Revenue	43,552.62	49,884.00	-	2,494.52
Other Income	801.10	110.00	-	56.69
Interest income	-	33.00	-	7.47
Cost of sales	25,064.13	31,396.00	-	1,144.95
Employee benefit expenses	5,115.77	4,544.00	-	507.85
Depreciation and amortisation	1,372.15	1,244.00	-	848.80
Interest expense	979.59	940.00	-	1,805.84
Other expenses	7,980.69	8,164.00	-	1,006.95
Income tax expense	1,325.00	1,297.00	-	(369.34)
Profit for the year	2,516.39	2,442.00	-	(2,386.37)
Other Comprehensive Income	(80.50)	(93.00)	-	(0.90)
Total Comprehensive Income	2,435.89	2,349.00	-	(2,387.27)
Dividend received	774.11	688.00	-	-

(₹ in lakhs)

Summarised Statement of Profit and Loss	PT Balmer Lawrie Indonesia		Balmer Lawrie (UAE) LLC	
	31 March 2020	31 March 2019	31 Dec 2019	31 Dec 2018
Revenue	2,306.31	3,969.00	83,455.60	71,392.94
Other Income	9.64	45.35	67.45	-
Interest income	0.11	-	7.45	108.55
Cost of sales	1,551.22	2899.42	64,549.80	53,425.09
Employee benefit expenses	470.15	367.44	938.06	802.82
Depreciation and amortisation	112.79	12.82	2,904.55	1,646.87
Interest expense	269.09	300.39	352.80	8.91
Other Expenses	233.64	391.63	7,530.50	9,093.76
Income Tax Expense	-	(21.72)	-	-
Profit for the year	(320.81)	64.37	7,254.79	6,524.05
Other Comprehensive Income	-	8.46	-	-
Total Comprehensive Income	(320.81)	72.83	7,254.79	6,524.05
Dividend received	-	-	1,849.35	1,651.46

PT Balmer lawrie Indonesia, a JV whose networth has turned negative on all the applicable Balance Sheet dates, have not been consolidated further as per Ind AS requirements.

Additional Information to Consolidated Financial Statements for the year ending 31.03.2020

(₹ in lakhs)

Name of the Entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or Loss		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of 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
Parent	79.26%	185,096.84	86.55%	13954.61	96.51%	(652.54)	86.12%	13,302.07
Subsidiaries								
Indian								
Visakhapatnam Port Logistics Park Limited	2.84%	6,625.00	-5.97%	(962.87)	-	-	-6.23%	(962.87)
Foreign								
Balmer Lawrie UK Ltd	0.02%	47.07	-6.81%	(1,097.23)	-	-	-7.10%	(1,097.23)
Non Controlling Interest in All subsidiaries	1.89%	4,416.67	-3.98%	(641.91)	-	-	-4.16%	(641.91)
Associates (Investment as per Equity Method)								
Indian								
Avi-Oil India Private Limited	0.71%	1,667.36	0.84%	136.11	-0.77%	5.23	0.92%	141.34
Joint Ventures (Investment as per Equity Method)								
Indian								
Balmer Lawrie Van leer Limited	3.15%	7,346.29	7.31%	1,179.27	4.27%	(28.86)	7.45%	1,150.41
Foreign								
1. Balmer Lawrie (UAE) LLC	12.13%	28,336.39	22.05%	3,554.85	-	-	23.01%	3,554.85
2. PT Balmer Lawrie Indonesia	-	-	-	-	-	-	-	-
Net worth of PTBLI is negative. Hence no consolidation has been done								
Total	100.00%	233,535.62	100.00%	16,122.83	100.00%	(676.17)	100.00%	15,446.65

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LOGISTICS INFRASTRUCTURE		
<i>Eastern Region</i>		
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Western Region		
Navi Mumbai	Container Freight Station (CFS)	Sector: 7, Plot No: 1, Dronagiri Node, Navi Mumbai - 400 707, Maharashtra. Phone: +91 90071 96199 E-Mail: barve.mp@balmerlawrie.com
Navi Mumbai	Temperature Control Warehouse (TCW)	Plot No: F-9/5, Patalganga MIDC, Chawne Village, District – Raigad, Maharashtra. Phone: +91 98664 00155 Email id: choudhary.rr@balmerlawrie.com
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Pune	Branch Office	10, Aditya Shagun Mall, Bavadhan Khurd, NDA-Pashan Road, Pune - 411 021, Maharashtra. Phone: +91 20 64731573 / 66750757 Fax: +91 20 64731573 / 66750757 E-Mail: padwale.vm@balmerlawrie.com
Northern Region		
Gwalior	Branch Office	FL 163, Deendayal Nagar, Gwalior, Madhya Pradesh -474020 Pic: Mr. Sanjay Srivastava Mob: + 91 9630437077 E-mail: gwalior.ls@balmerlawrie.com
Kanpur	Branch Office	2A/1A, AL-Badar Compound Near Supreme Petrol pump, Jajmau, Kanpur-208010, Uttar Pradesh Phone: +91 512 2400629 Fax: +91 512 2400630 Pic: Mr. Sadanand Mishra Mob: +91 9717617383 E-Mail: mishra.sadanand@balmerlawrie.com
New Delhi	Regional Head Office	1st Floor, NBCC Center, Plot No. 2, Community Center, Pocket A, Okhla Phase I, Okhla Industrial Area, New Delhi - 110 020 U.T. Delhi Phone: +91 11 42524163 / 42524176 Fax: +91 11 42524161 E-Mail: vashisth.s@balmerlawrie.com

New Delhi	Airport Office	Godown No. 14 & 18, ACCAI Complex, IGI Airport, New Delhi-110037, U.T. Delhi Phone: +91 011 25652487, 25654241, 25655231 Fax: +91 011 25653086 E-mail: darbari.s@balmerlawrie.com
Southern Region		
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Bengaluru	Airport Office	Room No 151, Bldg Code-C 25, Bangalore International Airport, Bangalore, Karnataka. Phone : +91 9831186308 E-mail: choudhury.arpan@balmerlawrie.com
Chennai	Branch Office	Balmer Lawrie House, 628, Anna Salai, Teynampet, Chennai - 600 018, Tamil Nadu. Phone: +91 044 224302450 Fax: +91 044 24348066 E-Mail: thiyagarajan.j@balmerlawrie.com
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Thiruvananthapuram	Branch Office	SivadaTower, 1st Floor, SNNRA 17, Pettah, Thiruvananthapuram - 695 024, Kerala. Phone: +91 0471 2463713 / 2463477 / 2465483 / 2464476 Fax: +91 0471 2465483 E-Mail: murali.k@balmerlawrie.com
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LEATHER CHEMICALS		
Ambur- Vaniyambadi	Technical Service Centre	4/172, Gudiyatham Road, Thuthipet, Ambur - 635 802, Thirupathur, District, Tamil Nadu. Phone: +91 4174 244468 / +91 9940664085 E-Mail: raju.s@balmerlawrie.com
Chennai	Plant & SBU Office	32, Sathangadu Village, Manali, Chennai - 600 068, Tamil Nadu. Phone: +91 044 25946500 E-Mail: uthayaraja.rm@balmerlawrie.com
Chennai	Product Development Center	32, Sathangadu Village, Manali, Chennai - 600 068, Tamil Nadu. Phone: +91 044 25946604 E-Mail: vijayabaskar.v@balmerlawrie.com
Chennai	Marketing Office	"Balmer Lawrie House", 628, Anna Salai, Teynampet, Chennai - 600 018, Tamil Nadu. Phone: +91 44 24302564 / +91 9831498126 E-Mail: chudhuri.j@balmerlawrie.com
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Kolkata	Technical Service Centre	Kolkata Leather Complex, Zone Number 1, Plot No. 63A, 24 Parganas (South) 743 502, West Bengal. Phone: +91 9007148888 / +91 9836814336 E-Mail: chandra.ak@balmerlawrie.com
Ranipet	Technical Service Centre	135 & 136, 1st Floor, SIDCO Industrial Estate, SIPCOT, Ranipet - 632 403, Tamil Nadu. Phone: +91 04172 245018 E-Mail: saravanan.ks@balmerlawrie.com

TRAVEL		
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Thiruvananthapuram	Branch Office	SRL – A24, Anugraha, Sankar Road, Sasthamangalam, Thiruvananthapuram, Kerala - 695010 Phone: +91 0471 2314998 / 980 / 981 / 2723931 Fax: +91 0471 2315201 E-Mail: mishra.v@balmerlawrie.com
Vadodara	Branch Office	Ground Floor, Stop-'N'-Shop Plaza, 5-9, R C Dutt Road, Alkapuri, Vadodara - 391 007, Gujarat. Phone: +91 0265 2353775 / 2340196 / 2340514 / 2364267 Fax: +91 0265 2314835 E-Mail: chandiwala.mv@balmerlawrie.com
Visakhapatnam	Satellite Office	30-15-154/4F2, 5th Floor, Patnam Office GKP Heavenu, Dabagardens Main Road, Visakhapatnam - 530 020, Andhra Pradesh. Phone: +91 0891 2564922 / 933 Fax: +91 0891 2569305 E-Mail: mathur.mk@balmerlawrie.com
VACATIONS		
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REFINERY & OIL FIELD SERVICES		
Kolkata	SBU Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22225610, 22134674 Fax: +91 033 22225444 / 5333



Balmer Lawrie signed the Memorandum of Understanding (MoU) for 2019-20 with the Ministry of Petroleum & Natural Gas (MoPNG) on 29th May 2019 at New Delhi.



The new Industrial Packaging plant for steel drum manufacturing at Vadodara, Gujarat was inaugurated on 10th June 2019.



The new avatar of Balmer Lawrie's online travel portal, now known as FlyLikeKing.com, was launched on 15th July 2019 at Kolkata.



Glimpses of the 102nd Annual General Meeting held on 18th September 2019 at Kolkata.



The new state-of-the-art Finishing Chemical plant with cutting-edge technology was commissioned on 10th December 2019.



C&MD and Directors at the 154th Foundation Day celebrations held in Kolkata on 2nd February 2020! Balmer Lawrie completed 153 years on 1st February.



The new Northern Region Office in the first floor of the NBCC Centre at Okhla, Phase 1, New Delhi was inaugurated on 5th February 2020.



SBU: Greases & Lubricants launched 'Balmerol' automotive products during a Dealer's Meet at Kathmandu in Nepal on 20th February 2020.



BALMER LAWRIE JOINT VENTURES

- BALMER LAWRIE - VAN LEER LTD.
- BALMER LAWRIE (UAE) LLC
- PT BALMER LAWRIE INDONESIA
- AVI-OIL INDIA (P) LTD.
- TRSAFE SERVICES LTD.



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

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

A Miniratna I PSE
(Under Ministry of Petroleum & Natural Gas)

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21, N. S. Road, Kolkata 700 001. Tel: 033-2222 5329. CIN: L15492WB1924GOI004835

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