



SINCE 1867

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

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

सचिव का विभाग

21, नेताजी सुभाष रोड, कोलकाता-700 001 (भारत)
फोन : (91) (33) 2222 5329 / 5314 / 5209

SECRETARY'S DEPARTMENT

21, Netaji Subhas Road, Kolkata - 700 001 (INDIA)
Phone : (91) (33) 2222 5329 / 5314 / 5209
E-mail : bhavsar.k@balmerlawrie.com
CIN : L15492WB1924GOI004835

Ref: SECY/StockExchange/2018
Date: 21st August, 2018

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

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

Dear Sir(s),

Sub.: Submission of the Notice for the 101st Annual General Meeting and Annual Report for the financial year 2017-18 pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Pursuant to **Regulation 30** of the **SEBI (LODR) Regulations, 2015**, please find enclosed the Notice of the 101st Annual General Meeting (AGM) of the Company to be held on Wednesday, 12th September, 2018 at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019 at 10:30 a.m. and the Annual Report for the financial year 2017-18 for your information and record.

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

Kaustav Sen
Compliance Officer

Enclosed: As above

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



Balmer Lawrie & Co. Ltd.

(A Government of India Enterprise)

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

CIN: L15492WB1924GOI004835

Telephone No : 033 2222 5313, E-mail : bhavsar.k@balmerlawrie.com

Website: www.balmerlawrie.com

NOTICE OF THE 101ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the 101st Annual General Meeting (AGM) of the Members of Balmer Lawrie & Co. Ltd. will be held on **Wednesday, 12th September, 2018, at 10:30 A.M. at Ghanshyam Das Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019** to transact the following businesses:

ORDINARY BUSINESS :

- 1. To consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the Financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon for the Financial year ended 31st March, 2018, and other statements attached there to along with the comments of Comptroller and Auditor General of India (CAG) 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, 2018 together with Reports of the Board of Directors and Auditors thereon for the Financial year ended 31st March, 2018, 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, 2018 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.10.00 (Rupees Ten only) per Equity Share for the Financial year ended 31st March, 2018 be and is hereby declared on 11,40,02,564 Equity Shares of ₹10/- (Rupees Ten) each of the Company and same be paid out

of the profits of the Company for the Financial year ended 31st March, 2018.”

- 3. To appoint a Director in place of Shri Dhandapani Sothi Selvam (DIN 07038156), 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 Dhandapani Sothi Selvam (DIN 07038156), a Director retiring by rotation, be and is hereby reappointed as a Director of the Company whose period of office shall be subject to retirement by rotation.”

- 4. To appoint a Director in place of Shri Shyam Sundar Khuntia (DIN 07475677), 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 Shyam Sundar Khuntia (DIN 07475677), a Director retiring by rotation, be and is hereby reappointed as a Director of the Company whose period of office shall be subject to retirement by rotation.”

- 5. To fix remuneration of the Statutory Auditors (including Branch Auditors) for the Financial year 2018-19 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) under Section 139(5) and other applicable provisions of the Companies Act, 2013 as appointed by the Comptroller & Auditor General of India including reimbursement of out-of-pocket expenses, if incurred by the said Auditors in connection with the audit of accounts of the Company, for the Financial year 2018-19.”

SPECIAL BUSINESS :

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

6. Appointment of Shri Vijay Sharma (DIN 08045837) as Government Nominee Director

“RESOLVED THAT Shri Vijay Sharma (DIN 08045837), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013, by the Board of Directors vide resolution passed by circulation on 15th January 2018 and who holds office upto the 101st Annual General Meeting of the Company and the Company having received a notice in writing, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Government Nominee Director for a period of three years from 24th November 2017 on co-terminus basis or until further orders from the administrative ministry, whichever is earlier and his office shall be subject to retirement of directors by rotation and other terms and conditions as contained in letter No.C-31033/1/2016-CA/FTS:42979 dated 24th November, 2017 received from the Ministry of Petroleum & Natural Gas, (MoPNG), Government of India.”

7. Appointment of Shri Sunil Sachdeva (DIN 00754633) as an Independent Director

“RESOLVED THAT Shri Sunil Sachdeva (DIN 00754633), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013 by the Board of Directors vide resolution passed by circulation on 4th April, 2018 and who holds office upto the 101st Annual General Meeting and the Company having received a notice in writing, from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director for a period of three years from the date of notification of his appointment or until further orders of the administrative ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31034/2/2017-CA/FTS:49128 dated 8th September, 2017 received from the Ministry of Petroleum & Natural Gas, Government of India.”

8. Appointment of Shri Ratna Sekhar Adika (DIN 08053637) as Director (Human Resource & Corporate Affairs)

“RESOLVED THAT Shri Ratna Sekhar Adika (DIN 08053637), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013 at the Board meeting held on 29th May, 2018 and who holds office upto the 101st Annual General Meeting and the Company having received a notice in writing, from a member proposing

his candidature for the office of Director, be and is hereby appointed as a Wholetime Director having designation Director (Human Resource & Corporate Affairs), in the scale of pay of ₹ 65,000–75,000/- for a period of five years with effect from the date of his assumption of charge of the post, or till the date of his superannuation, or until further orders from the Ministry of Petroleum & Natural Gas, whichever is the earliest and his period of office shall be subject to retirement of Directors by rotation and other terms and conditions as contained in letter no. CA-31024/2/2017-PNG (49) dated 2nd May, 2018 received from the Ministry of Petroleum & Natural Gas, Government of India.”

9. Appointment of Shri Vikash Preetam (DIN 00910261) as an Independent Director

“RESOLVED THAT Shri Vikash Preetam (DIN 00910261), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013 at the Board meeting held on 28th July, 2018 and who holds office upto the 101st Annual General Meeting and the Company having received a notice in writing, from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director for a period of three years from the date of notification of his appointment or until further orders of the administrative ministry, whichever is earlier and his office shall be subject to other terms and conditions as contained in letter No. C-31033/2/2018-CA (22758) dated 24th July, 2018 received from the Ministry of Petroleum & Natural Gas, Government of India.”

10. Appointment of Smt. Perin Devi Rao (DIN 07145051) as Government Nominee Director

“RESOLVED THAT Smt. Perin Devi Rao (DIN 07145051), who was appointed as an Additional Director as per the provisions of the Companies Act, 2013 at the Board meeting held on 28th July, 2018 and who holds office upto the 101st Annual General Meeting of the Company and the Company having received a notice in writing, from a member proposing her candidature for the office of Director, be and is hereby appointed as a Government Nominee Director for a period of three years from 26th July, 2018 on co-terminus basis or until further orders from the administrative ministry whichever is earlier and her office shall be subject to retirement of directors by rotation and other terms and conditions as contained in letter No C-31033/1/2016-CA/FTS: 42979 dated 26th July 2018 received from the Ministry of Petroleum & Natural Gas, Government of India.”

11. Ratification of Remuneration of Cost Auditor for Financial Year 2018-19

“**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. Bandopadhyaya Bhaumik & Co., Cost Accountants in Practice, as fixed by the Board, at ₹2,50,000/- (Rupees Two Lakh Fifty Thousand only) plus GST, as applicable, and reimbursement of out-of-pocket expenses, at actuals, if incurred by the said auditors, in connection with the audit of the cost accounts maintained by the Company for the Financial year ending on 31st March, 2019, be and is hereby ratified.”

To consider and, if thought fit, to pass the following Special Resolution:

12. Increase in Authorized Share Capital and consequent amendment in Memorandum of Association.

“**RESOLVED THAT** pursuant to Section 13 and 61 of the Companies Act, 2013 and other applicable provisions and in accordance with the provisions of the Articles of Association of the Company, consent be and is hereby accorded to increase the Authorized Share Capital of the Company to ₹300,00,00,000/- (Rupees Three Hundred Crores only) divided into 30,00,00,000 shares of ₹10/- each into such number of equity and preference shares as would not exceed the total capital amount as stated above.

RESOLVED FURTHER THAT Clause 5 of the

Memorandum of Association of the Company be amended and substituted to read as follows:

“The Authorised Share Capital of the Company is ₹300,00,00,000/- (Rupees Three Hundred Crores only) divided into such Number of Equity and Preference Shares of the face value of ₹10/- each as would not exceed the total capital amount of ₹300,00,00,000/- (Rupees Three Hundred Crores only) with such rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power to increase and reduce the capital of the Company and to attach thereto such preferential rights, privileges or conditions as may be deemed fit by the Members of the Company in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulation of the Company.”

RESOLVED FURTHER THAT Company Secretary or any one of the Directors be and is hereby authorized severally to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolutions.”

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

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

Date: 28th July, 2018
Place: New Delhi

NOTES:**A. General**

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special business to be transacted at the Annual General Meeting is annexed hereto. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered Office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting or any adjournment thereof.
2. Brief particulars of the Directors, proposed to be appointed/reappointed, as mandated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in terms of Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), is annexed hereto and forms part of the Notice.
3. **PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. The instrument appointing the proxy, in order to be valid and effective must be deposited at the Registered Office

of the Company, duly filled, stamped and signed, not less than 48 (Forty-eight) hours before the scheduled time of commencement of the AGM i.e. on or before Monday, 10th September, 2018, 10:30 A.M. Instrument appointing proxy (MGT 11) shall be in writing and be signed by the appointer or his attorney duly authorised in writing or where the appointer is a body corporate proxy should be under its seal or be signed by an officer or an attorney duly authorised by it.

5. Pursuant to the provisions of Section 105 of the Companies Act, 2013, read with Rule 19 of Companies (Management and Administration) Rules, 2014, a person can act as Proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder. The proxy form **MGT-11**, has been attached to this notice.
6. Further, in terms of Section 113(1) of the Companies Act, 2013, corporate members intending to send their authorized representative(s) to attend the AGM are requested to send a certified copy of their Board resolution, authorizing their representative to attend and vote at the ensuing AGM.
7. A person authorised by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, on behalf of the body corporate which he/she represents.
8. Where there are members registered jointly in respect of any share, any one of such persons may vote at the AGM either personally or by proxy in respect of such share as if he was solely entitled thereto; and if more than one of such members be present at any meeting either personally or by proxy, that one of the said members so present whose name stands first in the Register of Members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purposes of Article 65 of Articles of Association of the Company, be deemed to be members registered jointly in respect thereof.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 & the Register of Contracts or arrangements in which the Directors are interested,

maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by the members at the AGM venue during the continuance of the meeting.

10. The Board of Directors at its meeting held on 29th May 2018, has recommended a dividend of ₹10.00 (Rupees Ten only) per Equity Share of the face value of ₹10/- each, fully paid-up. Upon declaration by the members, dividend shall be paid to those shareholders of the Company who are holding shares of the Company as on 5th September, 2018 (End of Day) within the statutory time limit of 30 days from the date of such declaration.

11. Unpaid/unclaimed dividend

Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/ unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company has transferred ₹ 26,30,464/- to IEPF which were belonging to the shareholders whose dividend were unpaid/unclaimed from the Financial Year 2009-10.

Further, members are requested to note that the unclaimed dividend amount for the financial year ended 31st March, 2011 (declared and paid in 2011) will be due for transfer to IEPF on 30th October, 2018.

Further, pursuant to the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 14th September, 2017 (date of last Annual General Meeting) on its website at www.balmerlawrie.com and also on the website of the Ministry of Corporate Affairs.

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

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF. Accordingly, the Company has transferred 60,314 Equity Shares of the Face Value of ₹10/- each belonging to 522 shareholders to IEPF.

Further, members are requested to note that in respect of

dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF- 5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Nodal Officer of the Company at the registered office of the Company, along with the requisite documents enumerated in Form IEPF-5, the details of the Nodal Officer of the Company for IEPF are as under:

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

In terms of IEPF Rules, Members can file only one consolidated claim in respect of the Company in a financial year.

13. Members are requested to take note of attached route map showing directions to reach the venue of AGM.
14. **BOOK CLOSURE** - The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 6th September, 2018 to Wednesday, 12th September, 2018 (both days inclusive).
15. As per the Circular no. dated SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April, 2018 of the Securities and Exchange Board of India (SEBI)-in respect of payment of dividend, the Company is in the process of sending respective notice to the concerned shareholders whose Permanent Account Number (PAN) or Bank Account details are not available with the Company thereby requesting the concerned shareholders to provide the same. The shareholders are requested to note that in cases where bank account details of the securities holder is not available with RTA or there is change in bank account, details of bank account and cancelled Cheque to update the securities holder's data needs to be submitted to the RTA for updation. It may be also noted that the original cancelled Cheque shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook/ statement attested by the bank. The RTA shall then update the bank details in its records after due verification.

For payment of dividend via electronic bank transfer, the security holder may submit mandates for opting for electronic credit along with the aforesaid bank details, MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code), etc. that are required for making electronic payment.

The SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company.

Members who hold Shares in physical form may please note that an amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated that transfer of securities would be carried out in dematerialized form only. Accordingly, with effect from 5th December 2018, the shares which are lodged for transfer shall be in dematerialized form only. The Members are requested to get their physical share certificates to dematerialized form before 5th December 2018.

Members are requested :

- a) To notify on or before 5th September, 2018 (applicable for shareholders holding shares in physical mode) the following to Karvey Computer Share Limited unit-Balmer Lawrie & Co. Ltd. Apeejay House, 15, Park Street, C-Block, 3rd Floor, Kolkata-700016, email: einward.ris@karvy.com the Registrar & Share Transfer Agent (RTA) of the Company.
 - i. Any Change of address (including pin code), mandate, etc.
 - ii. Particulars of bank account number, IFSC and MICR code, name and address of the bank along with original cancelled cheque which shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook /statement attested by the bank.
 - iii. Copy of self attested PAN Card, if not already provided.

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

the Members concerned to their respective DPs. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

- b) To quote the ledger Folio or client ID and DP ID numbers in all communications addressed either to the Company/ or to RTA;
- c) To bring a copy of the Annual Report at the AGM venue. Please note that Annual Report(s) shall not be distributed at the AGM venue;
- d) To submit Attendance Slip/show Entry Pass at the entrance of the AGM venue.

16. NOMINATION BY SECURITIES HOLDERS

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

- 17. Members who hold Shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their Share Certificates to enable the Company to consolidate their holdings into a single folio.
- 18. In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Accounts of each of its subsidiaries are placed on the website of the Company (www.balmerlawrie.com). Additionally the Company will provide a copy of separate Audited Financial Statements in respect of its subsidiary companies, to any shareholder of the Company on making requisition in writing to the Company Secretary at the Registered Office of the Company or at the office of Company's RTA.
- 19. Electronic copy of the Annual Report for 2018 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018 are being sent through the permitted mode. Electronic copy of the Notice of the 101st

AGM of the Company, inter alia, indicating the process and manner of electronic voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 101st AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent through the permitted mode.

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

- 1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, [as amended] and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the stated items of business numbering one to twelve shall be transacted through electronic voting system. The Company has engaged the services of **National Securities Depository Limited ("NSDL")** for providing e-voting facilities to the Members enabling them to cast their vote in a secure manner.
- 2. The Company is providing facility for voting by electronic means and the business may be transacted through such voting. The facility for voting through ballot paper shall also be made available at the AGM and members attending the AGM who have not already cast their vote by remote e-voting facility shall be able to exercise their right at the AGM. Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. The cut-off date for the purpose of reckoning the right of members to vote is 5th September, 2018 (End of Day). Persons who are not Members as on cut-off date should treat this notice for information purpose only.
- 3. The time schedule including the time period during which the votes may be cast by remote e-voting –
 - a. **The remote e-voting period shall commence on Saturday, 8th September, 2018, (9:00 a.m.) and end on Tuesday, 11th September, 2018 (5:00 p.m.).** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on 5th September, 2018 End of Day (EOD), Cut-off date may cast their vote electronically. Thereafter, the remote e-voting module shall be disabled by NSDL for voting.

- b. Vote on a resolution, once cast, cannot be changed subsequently.
- c. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off Date i.e. 5th September, 2018.

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***
---	---

4. Instructions for remote e-voting

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:

Log-in to NSDL e-Voting website

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘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.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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*****.

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 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. 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, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) “Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
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 queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download

section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

- I. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- II. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 5th September, 2018 (end of day).
- III. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 5th September, 2018 (end of day), may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the email id of RTA.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- IV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- V. Mr. Mohan Ram Goenka, a Company Secretary in whole-time practice (Membership No.: 4515) and a Partner of M R & Associates has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VI. The Chairman shall, at the AGM, after the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three (3) days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

VIII. The Results declared along with 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.

20. In terms of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, though the Auditors of a Government Company are appointed by the Comptroller and Auditor General of India, the remuneration of the auditor is fixed at the General Meeting or in such manner as may be determined therein. Therefore, item on fixation of remuneration of the Auditors has been included in the Notice of the 101st AGM under item no. 5 of the Ordinary Business.

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

Item No. 6: Appointment of Shri Vijay Sharma (DIN 08045837) as Government Nominee Director

The Board of Directors through Resolution passed by circulation on 15th January 2018 as per the provisions of the Companies Act, 2013 and allied Rules and the Articles of Association of the Company read with letter No.C-31033/1/2016-CA/FTS:42979 dated 24th November 2017 received from the Ministry of Petroleum & Natural Gas, (MoPNG) Government of India appointed Shri Vijay Sharma (DIN 08045837) as an Additional Director of the Company having the designation of Government Nominee Director. The administrative ministry in the aforesaid letter nominated Shri Sharma as the Government Director on the Board of the Company with immediate effect for a period of three years on co-terminus basis or until further order, whichever is earlier.

The Company has received from Shri Vijay Sharma Form No. 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 Vijay Sharma as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Vijay Sharma would be appointed for a period of 3 years from the date of nomination by MoPNG on co-terminus basis or until further orders from the administrative ministry, whichever is earlier.

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

The particulars of Shri Vijay Sharma is attached with this explanatory statement.

Item No. 7: Appointment of Shri Sunil Sachdeva, (DIN 00754633) as an Independent Director

The Company on receiving a letter from the Administrative Ministry bearing reference no. C-31034/2/2017-CA/FTS:49128, dated 8th September, 2017, in line with the recommendation of the Nomination and Remuneration Committee, had passed a Board Resolution on 18th September, 2017 for appointment of Shri Sunil Sachdeva (DIN 00754633) as an additional director having the designation of Independent Director of the Company with effect from 18th September, 2017 upto the date of the next Annual General Meeting. However, his DIN having been disqualified by ROC under section 164(2) of the Companies Act, 2013, his office of director of the Company was deemed to have vacated with effect from 1st February, 2018.

Thereafter, Shri Sachdeva, on 5th March, 2018 informed the Company that his DIN has been approved. Further, no change in the nomination of Shri Sachdeva had been made by the administrative ministry and accordingly earlier nomination of Shri Sachdeva by administrative Ministry on the Board of Balmer & Lawrie Co. Ltd. still remains valid.

The Company has received Form No. DIR-2, consent to act as a Director and also Form DIR-8 from Shri Sunil Sachdeva, 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 also received a declaration of Independence under Section 149(6) of the Companies Act, 2013, from Shri Sachdeva. The Board of Directors vide Resolution passed by circulation on 4th April, 2018, approved the appointment of Shri Sunil Sachdeva as an Additional Director of the Company having the designation of Independent Director.

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 Sachdeva as a Director of the Company. Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Sunil Sachdeva would remain an Independent Director of the Company for a period of three years from the date of notification of his appointment or until further orders from the administrative ministry, whichever is earlier.

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

The Company being a Government Company, the independence of the director is determined by the administrative ministry of the Company. Shri Sachdeva is independent of the management of the Company.

The particulars of Shri Sunil Sachdeva is attached with this explanatory statement.

Item No. 8: Appointment of Shri Ratna Sekhar Adika (DIN 08053637) as Director (Human Resource & Corporate Affairs)

The Board at its meeting dated 29th May 2018, in line with the recommendation of the Nomination and Remuneration Committee, appointed Shri Ratna Sekhar Adika as an additional director as well as whole-time director of the Company having designation Director (Human Resource & Corporate Affairs) for a period of 5 years with effect from the date of his assumption of charge of the post or till the date of his superannuation or until further order from the administrative ministry, whichever is earliest as mentioned in the letter No.CA-31024/2/2017-PNG(49) dated 2nd May 2018 received from the Ministry of Petroleum & Natural Gas, (MoPNG) Government of India, in the scale of pay of ₹ 65000-75000.

The Company has received from Shri Ratna Sekhar Adika Form No. 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 Ratna Sekhar Adika as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Shri Ratna Sekhar Adika would be appointed for a period of 5 years from 29th May 2018 or till the date of his superannuation or until further order from the administrative ministry, whichever is earliest.

Except Shri Ratna Sekhar Adika, being the proposed appointee,

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

The particulars of Shri Ratna Sekhar Adika is attached with this explanatory statement.

Item No. 9: Appointment of Shri Vikash Preetam (DIN 00910261) as an Independent Director

The Board at its meeting dated 28th July, 2018, in line with the recommendation of the Nomination and Remuneration Committee, and pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions there under read with letter No. C-31033/2/2018-CA (22758) dated 24th July, 2018 received from the Ministry Of Petroleum & Natural Gas (MoPNG), Government of India appointed Shri Vikash Preetam as an additional director of the Company having designation Independent Director upto the date of the next Annual General Meeting.

The Company has received from Shri Vikash Preetam Form No. DIR-2, consent to act as a Director and also Form DIR-8 confirming that he is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014 and a declaration of Independence under Section 149(6) of the Companies Act, 2013.

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 Vikash Preetam as a Director of the Company.

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

The Company being a government Company, the independence of the director is determined by the administrative ministry. Shri Vikash Preetam is independent of the management of the Company.

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

The particulars of Shri Vikash Preetam is attached with this explanatory statement.

Item No. 10: Appointment of Smt. Perin Devi Rao (DIN 07145051) as Government Nominee Director

The Board at its meeting dated 28th July, 2018 as per the provisions of the Companies Act, 2013 and allied Rules and the Articles of

Association of the Company read with letter C-31033/1/2016-CA/FTS:42979 dated 26th July 2018 received from the Ministry of Petroleum & Natural Gas, (MoPNG) Government of India appointed Smt. Perin Devi Rao (DIN 07145051) as an Additional Director of the Company having the designation of Government Nominee Director. The administrative ministry in the aforesaid letter nominated Smt. Perin Devi Rao as the Government Director on the Board of the Company with immediate effect for a period of three years on co-terminus basis or until further order, whichever is earlier.

The Company has received from Smt. Perin Devi Rao Form No. DIR-2, consent to act as a Director and also Form DIR-8 confirming that she is eligible to be appointed as Director as prescribed under The Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has received a valid notice of candidature from a member as per the provision of Section 160 of the Companies Act, 2013, proposing the appointment of Smt. Perin Devi Rao as a Director of the Company whose period of office as director shall be subject to determination by retirement of directors by rotation.

Your Directors recommend the Ordinary Resolution for your approval. If approved, Smt. Perin Devi Rao would be appointed for a period of 3 years from the date of nomination by MoPNG on co-terminus basis or until further orders from the administrative ministry, whichever is earlier.

Except Smt. Perin Devi Rao, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Ordinary Resolution.

The particulars of Smt. Perin Devi Rao is attached with this explanatory statement.

Item No. 11: Ratification of Remuneration of Cost Auditor for Financial Year 2018-19

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment of M/s. Bandopadhyaya Bhaumik & Co., Cost Accountants, G-16, Banerjee Para, Kamdahari, Garia, Kolkata-700 084 as Cost Auditors of the Company to conduct the audit of the Cost Records maintained by the Company for the year 2018-19 at a remuneration of ₹2,50,000/- (Rupees Two Lakh Fifty Thousand only) plus GST as applicable plus reimbursement of out-of-pocket expenses at actuals to be paid on completion of the cost audit.

In terms of Section 148(3) of 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 Auditors for the Financial year ending on 31st March, 2019.

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 recommends the ordinary resolution for your approval.

Item No. 12: Increase in Authorised Share Capital and consequent amendment in Memorandum of Association.

The current Authorised Share Capital of the Company is ₹120,00,00,000 out of which ₹114,00,25,640 is already paid up. This leaves very small margin for any further issue of capital in future, if any. From the futuristic perspective, it is required that the Authorised Share Capital of the Company be increased. Hence, it is proposed to increase the existing Authorised Share Capital of the Company from ₹120 Crore to ₹300 Crore. Pursuant to Section 13 and 61 of the Companies Act, 2013, the proposed alteration is placed before the members for their consideration as a Special Resolution.

Particulars of the proposed alteration :

In furtherance to the increase in the Authorised Share Capital, the Clause 5 of the Memorandum of Association needs to be altered and substituted to read as follows:

“The Authorised Share Capital of the Company is ₹300,00,00,000/- (Rupees Three Hundred Crores only) divided into such Number of Equity and Preference Shares of the face value of ₹10/- each as would not exceed the total capital amount of ₹300,00,00,000/- (Rupees Three Hundred Crores only) with such rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power to increase and reduce the capital of the Company and to attach thereto such preferential rights, privileges or conditions as may be deemed fit by the Members of the Company in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulation of the Company.”

AS REQUIRED BY REGULATION 36(3) OF THE LISTING REGULATIONS, THE PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE RE-APPOINTED/APPOINTED AT THE 101ST ANNUAL GENERAL MEETING TO BE HELD ON 12TH SEPTEMBER, 2018 ARE GIVEN BELOW :

Name & Designation	Shri D. Sothi Selvam Director (Manufacturing Businesses)	Shri Shyam Sundar Khuntia Director (Finance)	Shri Vijay Sharma Government Nominee Director	Shri Sunil Sachdeva Independent Director	Shri Ratna Sekhar Adika Director (HR&CA)	Shri Vikash Preetam Independent Director	Smt. Perin Devi Rao Government Nominee Director
Date of Birth	31 st July, 1960	1 st May, 1960	2 nd January, 1977	28 th January, 1969	10 th June, 1964	22 nd June, 1973	13 th October, 1965
Date of First Appointment on the Board of Balmer Lawrie & Co. Ltd.	2 nd January, 2015	28 th March, 2016	15 th January, 2018	4 th April, 2018	29 th May, 2018	28 th July, 2018	28 th July, 2018
Date of appointment/ last re-appointment at the Annual General Meeting	22 nd September, 2016	22 nd September, 2016	Not Applicable	Not Applicable	Not Applicable	Not applicable	Not applicable
Qualifications	Graduate in Chemical Engineering, MBA (Marketing) Post Graduate Diploma in Journalism & Mass Communication	Bachelor of Science, Chartered Accountant, Cost Accountant	M.A. (History)	B COM (H), ACMA, MBA, CA(I), ANIMA	B.A., Master of Social Work	PGDM from Asia Pacific Institute of Management, New Delhi and LL.B from University of Delhi	Director(FD), Ministry of Petroleum & Natural Gas
Expertise in Specific Functional areas	Shri Sothi Selvam is a Chemical Engineer and an MBA, with Diverse Board Level Experience in the areas of Petroleum Fuels & Specialities, Petroleum & Synthetic Lubricants, Industrial Packaging, Leather Chemicals, Refinery & Oil Field Services and Engineering & Projects. He has more than three decades of National and International Experience with Indian Oil Corporation Ltd., Lanka IOC PLC and Balmer Lawrie & Co Ltd., leading teams for driving Revenue Generation, Manufacturing Operations and Profitability through Sales & Marketing, Production Management, Supply Chain Management, Financial Management, Human Resource Management, R&D and Distribution Management. A keen analyst, he is highly skilled in Strategic Planning, Market Forecasting, Market and Product Development and is quick to identify & formulate strategies to exploit business opportunities.	Shri Khuntia is a Chartered Accountant and Cost Accountant with over 33 years of experience mainly in upstream oil and gas industries. Prior to joining Balmer Lawrie, he was associated with ONGC Videsh Ltd. and OIL India Ltd. He was instrumental in successfully developing the Accounting system of ONGC Videsh and the Accounting & MIS processes for overseas joint ventures and have won several accolades for his contributions. Shri Khuntia has hands on experience in Treasury operation with fund raising from international market & Taxation Operations and has rich experience in areas of Risk management, Sustainability and HSE Processes. Further, he has developed expertise in developing accounting, budgeting and MIS systems for organizations.	Shri Sharma has a working experience of about 16 years wherein he developed expertise in functional areas of - Administration, Refinery, Excise and Vigilance. Shri Sharma is currently the Director (Vig/RC/SIEP) in the Refinery Division of the MoPNG.	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. and Topend Construction Pvt. Ltd. He has one year job experience in Global Information and Distribution Corporation, Kuwait. Shri Sachdeva also owned a business under the name and style of Oriental Engg. Co., Varanasi which was distributor of MICO/Bosch for eastern U.P.	Shri Ratna Sekhar has over 30 years of experience in multicultural organizations in Human Resources Management, Industrial Relations and Administration. He also has hands on experience in Man Power Planning, Sourcing, Talent Acquisition, Talent Management, Learning and Development initiatives, 360 degree leadership development programme, Performance Management System (PMS), performance counseling, Career Planning, Employee motivation programs, employee welfare and loyalty programmes and trade union negotiations. He is a keen strategist with the flair for designing and implementing innovative strategies and HR interventions in line with industry standards.	Shri Vikash Preetam is presently working with Suri & Co. - A corporate law firm in Delhi. Shri Preetam is a Member of Delhi Bar Council and also a member of Supreme Court Bar Association. He takes keen interest in writing newspapers articles. He is a member of India International Center, Lodhi Estate, New Delhi and also a member of National Sports Club of India.	---

Name & Designation	Shri D. Sothi Selvam Director (Manufacturing Businesses)	Shri Shyam Sundar Khuntia Director (Finance)	Shri Vijay Sharma Government Nominee Director	Shri Sunil Sachdeva Independent Director	Shri Ratna Sekhar Adika Director (HR&CA)	Shri Vikash Preetam Independent Director	Smt. Perin Devi Rao Government Nominee Director
Terms and conditions of appointment/ reappointment	As contained in letter bearing reference no. - C-31024/7/2012-CA/FTS: 23176 dated 9th October, 2014 and letter bearing reference no. - C-31024/7/2012-CA(Part-1)/FTS: 36715 dated 4th August, 2016 from Ministry of Petroleum & Natural Gas	As contained in letter bearing reference no. - C-31024/04/2015-CA/FTS: 39711 dated 22nd March, 2016 from Ministry of Petroleum & Natural Gas	As contained in letter bearing reference no. - C-31033/1/2016-CA/FTS: 42979 dated 24th November, 2017 from Ministry of Petroleum & Natural Gas	As contained in letter bearing reference no. - C-31034/2/2017-CA/FTS: 49128 dated 8th September, 2017 from Ministry of Petroleum & Natural Gas and his appointment letter dated 5 th April, 2018	As contained in letter bearing reference no. -CA-31024/2/2017-PNG (49) dated 2nd May, 2018 from Ministry of Petroleum & Natural Gas	As contained in letter bearing reference no. C-31033/2/2018-CA (22758) dated 24th July, 2018 from Ministry of Petroleum & Natural Gas and his appointment letter dated 2 nd August, 2018.	As contained in letter bearing reference noC-31033/1/2016-CA/FTS:42979 dated 26th July 2018 from Ministry of Petroleum & Natural Gas
Details of remuneration last drawn	₹ 70,65,978/-	₹ 61,36,893/-	Not applicable	Not applicable	₹ 44,58,358/-	Not applicable	Not applicable
Details of remuneration sought to be paid	As per existing approved terms and conditions	As per existing approved terms and conditions	Not applicable	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per meeting of Board or committee attended by the Independent Director is paid.	In the pay scale of ₹(65000-75000)/- as per Letter no. CA-31024/2/2017-PNG (49) dated 2 nd May 2018 of the administrative ministry or as per further orders of the administrative ministry.	No remuneration is paid to Independent Director. A sitting fee of ₹ 10,000/- per meeting of Board or committee attended by the Independent Director is paid.	Not applicable
Number of Meetings of the Board attended during the Financial year 2017-18	7	8	3	1	Not Applicable	Not Applicable	Not Applicable
Shareholding of the Director in Balmer Lawrie & Co. Ltd.	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	None	None	None	None	None	None	None
Directorship on the Board of other Companies / offices held in other companies	1. Avii-Oil India Private Limited 2. Pro-seal Closures Limited. (amalgamated) 3. Balmer Lawrie-Van Leer Limited 4. PT Balmer Lawrie Indonesia (Commissioner) 5. Balmer Lawrie (UAE) LLC	1. Transafe Services Limited 2. Balmer Lawrie Investments Limited 3. Visakhapatnam Port Logistics Park Limited 4. Blecco Lawrie Limited 5. Balmer Lawrie (UK) Limited 6. PT Balmer Lawrie Indonesia (Commissioner)	NIL	1. Oriental Diesel and Engineering Co.Pvt Ltd. 2. Top end construction Pvt Ltd	NIL	NIL	1. Balmer Lawrie Investments Limited 2. Chennai Petroleum Corporation Limited

Name & Designation	Shri D. Sothi Selvam Director (Manufacturing Businesses)	Shri Shyam Sundar Director (Finance)	Shri Vijay Sharma Nominee Director	Shri Sunil Sachdeva Independent Director	Shri Ratna Sekhar Adika Director (HR&CA)	Shri Vikash Preetam Independent Director	Smt. Perin Devi Rao Government Nominee Director
<p>Membership/ Chairmanship of Committee(s) of Balmer Lawrie</p>	<p>1. Audit Committee - Member 2. Risk Management Committee - Member</p>	<p>1. Audit Committee- Member 2. Corporate Social Responsibility Committee - Member 3. Stakeholders Relationship Committee - Member 4. Risk Management Committee- Chairperson</p>	<p>1. Audit Committee - Member 2. Corporate Social Responsibility Committee- Member 3. Stakeholders Relationship committee- Member 4. Nomination and Remuneration Committee- Member 5. Risk Management Committee - Member</p>	<p>1. Audit Committee- Member 2. Corporate Social Responsibility Committee- Member 3. Stakeholders Relationship committee- Member 4. Nomination and Remuneration Committee- Member 5. Risk Management Committee- Member</p>	<p>1. Corporate Social Responsibility Committee- Member 2. Stakeholders Relationship Committee- Member</p>	<p>NIL</p>	<p>NIL</p>
<p>Membership/ Chairmanship of Committee(s) of the Board of other Companies</p>	<p>1. Avi-Oil India Private Limited – Corporate Social Responsibility Committee - Member 2. Balmer Lawrie-Van Leer Limited - Corporate Social Responsibility Committee- Member 3. Stakeholders Relationship Committee - Member</p>	<p>1. Transafe Services Limited- Audit Committee - Member & Remuneration Committee Member 2. Balmer Lawrie Investments Limited Audit Committee- Member Nomination & Remuneration Committee - Member Stakeholders Relationship committee- Chairperson Corporate Social Responsibility Committee - Member 3. Bienco Lawrie Limited Audit Committee - Member</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>	<p>1. Chairperson of the following Committees of Balmer Lawrie Investments Ltd. • Audit Committee • Nomination and Remuneration Committee • Corporate Social Responsibility Committee 2. Member of the following Committees of Balmer Lawrie Investments Ltd.: • Stakeholders Relationship Committee • Committee of Directors for Share Transfer, Transmission etc. 3. Member of the following Committees of Chennai Petroleum Corporation Limited: • Audit Committee • Stakeholder Relationship Committee</p>

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

Registered Office:
Balmer Lawrie House
21, Netaji Subhas Road
Kolkata 700 001
Date: 28th July, 2018
Place: New Delhi

Form No. MGT-11

Proxy Form

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 101st Annual General Meeting of the Company, to be held on the 12th day of September, 2018 at 10.30 a.m. at G D Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- To consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated along with the comments of the Comptroller & Auditor General of India on the Accounts of the Company for the Financial year ended 31st March, 2018 and the reports of the Auditors and the Board of Directors thereon.
- To declare dividend for the financial year ended 31st March, 2018.
- To appoint a Director in place of Shri Dhandapani Sothi Selvam (DIN 07038156), a Director who retires by rotation and being eligible offers himself for reappointment.
- To appoint a Director in place of Shri Shyam Sundar Khuntia (DIN 07475677), a Director who retires by rotation and being eligible offers himself for reappointment.
- To authorise Board of Directors to fix remuneration of the Statutory Auditors, including Branch Auditors, for the financial year 2018-19.
- Appointment of Shri Vijay Sharma (DIN 08045837) as Government Nominee Director.
- Appointment of Shri Sunil Sachdeva (DIN 00754633) as an Independent Director.
- Appointment of Shri Ratna Sekhar Adika (DIN 08053637) as Director (Human Resource & Corporate Affairs)
- Appointment of Shri Vikash Preetam (DIN 00910261) as an Independent Director.
- Appointment of Smt. Perin Devi Rao (DIN 07145051) as Government Nominee Director.
- Ratification of remuneration of Cost Auditors for Financial Year 2018-19.
- Increase in Authorized Share Capital and consequent amendment in Memorandum of Association of the Company.

Signed this _____ day of _____ 2018

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

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

AGM Venue Route Map





ADMISSION SLIP
Balmer Lawrie & Co. Ltd.

(A Government of India Enterprise)

CIN: L15492WB1924GOI004835

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

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

101ST ANNUAL GENERAL MEETING ('AGM')

WEDNESDAY 12TH SEPTEMBER, 2018 AT 10:30 AM

Regd. Folio/DP-ID & Client ID

Member / Proxy who wishes to attend the meeting must bring this Admission Slip and hand it over at the entrance of G D Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata 700 019.

Please bring your copy of Annual Report

I / We hereby record my / our presence at the 101st AGM or any adjournment thereof

Please sign here

ENTRY PASS

IF YOU WISH TO ATTEND THE
101ST ANNUAL GENERAL
MEETING PLEASE PRESENT THIS
PASS AT THE ENTRANCE OF
G.D. BIRLA SABHAGAR
29, ASHUTOSH CHOWDHURY
AVENUE, KOLKATA-700 019
AND
RETAIN THIS PASS
TILL THE END OF THE MEETING



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

Folio / DP/ CL ID :

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

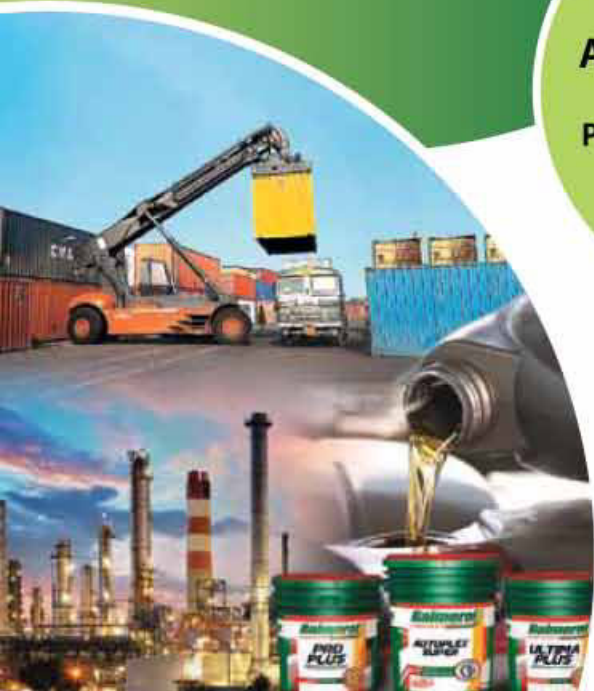
बामर लॉरी एण्ड कं. लिमिटेड Balmer Lawrie & Co. Ltd.

(A GOVERNMENT OF INDIA ENTERPRISE)



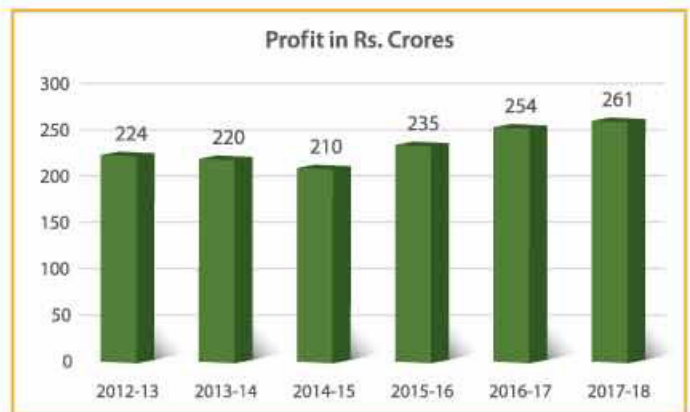
ANNUAL REPORT 2017-18

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



OUR VISION

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





Balmer Lawrie STARTUP FUND



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

joins hands with



for incubation of start-ups.

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

In association with IIM Calcutta Innovation Park, Balmer Lawrie will be selecting and incubating the start-ups jointly. Incubation support would be physical or virtual, depending on the need of the Start-up and would include work space, knowledge resources, mentoring, networking, customer connect, investor connect and seed funding. Capacity building boot camps to impart essential knowledge on different aspects of business would be organized. To ensure success of this initiative, a continuous mentoring and monitoring mechanism for Start-ups would also be put in place.



“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) are being set up at various places in the country by the member companies of the Ministry of Petroleum and Natural Gas (MOPNG), Govt. of India. As a member company, Balmer Lawrie contributed Rs 150 Lakhs for the institutes coming up at Guwahati and Rae Bareilly. Balmer Lawrie also contributed Rs 180 Lakhs for SDIs at Bhubaneswar, Kochi and Visakhapatnam which are now fully functional and some of them have started the courses on skill development. Balmer Lawrie is also going to train apprentices in line with the National Apprenticeship Promotion Scheme in the Logistics and Travel & Vacations Business Units.



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

– Shri Narendra Modi
Prime Minister of India

As part of the Swachh Bharat Abhiyan, around 330 toilets were constructed in the states of West Bengal, Assam, Andhra Pradesh, Chhattisgarh, Haryana, Rajasthan and Maharashtra for the students of primary government schools. Balmer Lawrie has committed to maintain the toilets for at least 5 years. Balmer Lawrie also sponsored the construction of a water tank in Sayli village in Silvassa and Padghe village in Taloja, Navi Mumbai for providing clean drinking water to the villagers besides other activities.

From Women Development to Women-led development

Pradhan Mantri Ujjwala Yojana



3.8 Cr women
have got LPG connections

Target enhanced to provide LPG connections to **8 Cr women**



Designed to improve lives of women by abolishing consumption of unhealthy fuels

PM Ujjwala Yojana Ensuring Smoke Free Lives for Poor Families



3.8 crore
poor women got LPG connections



Target raised to provide LPG connections to **8 crore women**

BALMER LAWRIE & CO. LTD.
PROGRESS OVER THE YEARS

Rs. / Lakhs

Year	Share Capital	Reserves & Surplus	Loan Funds	Gross block	Current Assets	Current Liabilities	Net Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Dividend (incl. Tax on div.)	No. of Employees (Nos.)
2008-2009	1629	37206	-	30155	62952	45898	107742	15156	4995	10161	3811	1425
2009-2010	1629	44567	-	31088	69397	46182	110984	15298	3569	11729	4368	1415
2010-2011	1629	51755	-	33573	78133	52002	123656	18104	4995	13109	4921	1417
2011-2012	1629	60262	-	38803	87813	54166	147077	19027	5220	13807	5300	1440
2012-2013	1629	70671	-	42843	93787	55009	157205	22352	6075	16277	5869	1465
2013-2014	2850	79114	-	46923	101256	61875	159797	21962	6295	15667	6002	1431
2014-2015	2850	87456	-	60629	96704	50458	176731	21044	6300	14744	6204	1365
2015-2016	2850	96883	-	40004	108439	55349	165731	24021	7701	16320	6893	1248
2016-2017	11400	105199	-	42681	123132	57148	177946	25411	8369	17042	9650	1153
2017-2018	11400	114185	1490	46590	125436	53830	179710	26112	7630	18482	13786	1128

CONTENTS

Company Information	3
Management Team	4
Chairman's Address	6
Board's Report	13
Management Discussion and Analysis Report	39
Business Responsibility Report	51
Extract of Annual Return	64
Report on Corporate Governance	76
Auditors' Certificate on Compliance of Corporate Governance	97
Secretarial Audit Report	98
Independent Auditors' Report on Standalone Financial Statements	101
Comments of Comptroller & Auditor General of India [C&AG]	111
Balance Sheet	112
Statement of Profit & Loss	113
Cash Flow Statement	114
Significant Accounting Policies	116
Notes to Accounts	124
Information in respect of Subsidiaries, Associates & Joint Ventures	167
Independent Auditors' Report on Consolidated Financial Statements	169
Comments of Comptroller & Auditor General of India [C&AG] - CFS	177
Consolidated Financial Statement	178
Office & Plant Locations	227

Company Information

Board of Directors	: Shri Prabal Basu, Chairman & Managing Director : Shri D Sothi Selvam, Director (Manufacturing Businesses) : Shri Kalyan Swaminathan, Director (Service Businesses) : Shri Shyam Sundar Khuntia, Director (Finance) & Chief Financial Officer : Shri Ratna Sekhar Adika, Director (Human Resource & Corporate Affairs) : Shri Vijay Sharma, Government Nominee Director : Ms. Atreyee Borooah Thekedath, Independent Director : Shri Sunil Sachdeva, Independent Director
Company Secretary	: Ms. Kavita Bhavsar
Registered Office	: Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road Kolkata – 700 001
Bankers	: Allahabad Bank : Bank of Baroda : Canara Bank : HDFC Bank Limited : IndusInd Bank Limited : Standard Chartered Bank : State Bank of India : Vijaya Bank
Statutory Auditors	: Messrs. Dutta Sarkar & Co. 7A, Kiron Sankar Roy Road, 2nd floor Kolkata – 700 001
Branch Auditors	: Messrs. P M Dalvi & Co. 10, Anand Bhuvan DV Deshpande Marg Shivaji Park, Dadar West Mumbai – 400 028 : Venkat & Rangaa, LLP Majestic Apartments Flat no 5, I Floor 13 Soundararajan Street T Nagar, Chennai – 600 017 : Messrs. Kumar Chopra & Associates B-12 G.F. Kalindi Colony Near Maharani Bagh New Delhi – 110 065
Internal Auditors	: Messrs. Hari Bhakti & Co. LLP 42, Free Press house 216, Nariman Point Mumbai – 400 021
Registrar & Share Transfer Agent	: Karvy Computershare Private Limited Apeejay House, Block "B", 3rd Floor, 15 Park Street, Kolkata 700 016 Tel: 033 6628 5900

MANAGEMENT TEAM

Sl No	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2018
1	SHRI PRABAL BASU	B.COM [HONS], ACA, ACMA, ACS, EPGM (MIT)	CHAIRMAN & MANAGING DIRECTOR	18.10.1963	04.04.1988	32
2	SHRI D SOTHI SELVAM	B.TECH., MBA, PG DIPLOMA IN JOURNALISM & MASS COMMUNICATION	DIRECTOR [MANUFACTURING BUSINESSES]	31.07.1960	02.01.2015	35
3	SHRI KALYAN SWAMINATHAN	B.COM, ACMA, ACS	DIRECTOR [SERVICE BUSINESSES]	15.02.1960	02.11.2009	35
4	SHRI SHYAM SUNDAR KHUNTIA	B.Sc., CA, CMA	DIRECTOR [FINANCE] & CHIEF FINANCIAL OFFICER	01.05.1960	28.03.2016	33
5	SHRI A. RATNA SEKHAR	B.A., MSW	DIRECTOR [HUMAN RESOURCE & CORPORATE AFFAIRS]	10.06.1964	27.01.2014	30
6	SHRI MANOJ LAKHANPAL	B.COM, CA	EXECUTIVE DIRECTOR [NEW INITIATIVES & PROGRAMME DELIVERY]	15.08.1958	15.04.1988	37
7	SHRI R M UTHAYARAJA	BE	CHIEF OPERATING OFFICER [LEATHER CHEMICALS]	11.08.1967	31.12.2014	27
8	SHRI ABHISHEK AGARWAL	BE (COMPUTER SCIENCE), MS (SOFTWARE SYSTEMS)	CHIEF INFORMATION OFFICER	28.01.1973	09.02.2015	23
9	SHRI MANAS KUMAR GANGULY	B.COM [HONS], CMA [Inter]	CHIEF OPERATING OFFICER [LOGISTICS]	03.09.1968	16.03.2015	27
10	SHRI SREEJIT BANERJEE	B.Sc., B.TECH	CHIEF OPERATING OFFICER [GREASES & LUBRICANTS]	04.06.1967	01.04.2016	25
11	SHRI SANDIP DAS	B.COM, ACA	SENIOR VICE PRESIDENT [FINANCE]	25.12.1962	24.05.1993	29
12	SHRI ROMON SEBASTIAN LOUIS	B.COM, PGDMM, PGDMSM	HEAD [LOGISTICS INFRASTRUCTURE]	22.11.1972	02.11.1998	19
13	SHRI SUNDAR SHERIGAR	B.COM	HEAD [INDUSTRIAL PACKAGING]	18.02.1961	23.01.1984	34
14	MS KAVITA BHAVSAR	B.COM [HONS], FCS, LL.B, PGDFM	COMPANY SECRETARY	11.02.1968	08.12.2014	28

SI No	Name	Qualification	Designation	Date of Birth	Date of Joining in BL	Total years of experience as on 30.06.2018
15	SHRI AMIT KUMAR BASAK	M.Ch.E., MBA [Fin]	HEAD [TECHNICAL]	04.01.1962	08.10.1987	32
16	Ms. SANDHYA MALIK	MA [ENG], DIP [TRAVEL & TOURISM]	HEAD [TICKETING]	24.09.1959	08.09.2015	34
17	SHRI RAJ KUMAR MAITY	B.E. (Mech), EXE MGT (GENL MGT, STRATEGY)	HEAD [VACATIONS]	31.12.1974	31.10.2011	18
DEPUTED / SECONDED FROM BALMER LAWRIE TO JOINT VENTURE COMPANY						
1	SHRI ABHIJIT ROY	B.SC (CHEMISTRY), M.SC (ORGANIC)	PRESIDENT DIRECTOR, PT. BALMER LAWRIE INDONESIA	19.11.1958	01.07.1982	36
2	SHRI SANTANU CHAKRABARTI	BE	CHIEF EXECUTIVE OFFICER - TSL	05.10.1961	16.09.2002	35
3	SHRI BISHWAJIT NANDI	AMIE PGDM	CHIEF EXECUTIVE, BALMER LAWRIE (UAE) LLC, DUBAI, UAE	12.03.1962	07.07.1987	31
DEPUTED FROM THE GOVT. OF INDIA TO BALMER LAWRIE						
1	DR. A. K. AMBASHT, IFS OFFICER of CADRE AGMUT - 1987	M.Sc. [BOTANY], M.Sc. IN FORESTRY, Ph.D IN BOTANY ECOLOGY]	CHIEF VIGILANCE OFFICER	02.08.1958	16.08.2016	31

CHAIRMAN'S ADDRESS



Dear Esteemed Members

It is my great pleasure to welcome you all to the 101st Annual General Meeting of the Company on behalf of the Board of Directors of Balmer Lawrie. In an era, when the average life span of companies is shrinking rapidly world over, your company has completed 151 years of its existence and is still going strong. There are very few corporate houses in India, perhaps across the globe that could stand the test of time that your Company has endured. During this journey of over 150 years, we have survived myriads of challenges, reinvented ourselves and adapted to various changes, in order to stay ahead. Your company leveraged every change as an opportunity and remained profitable by strengthening core businesses, foraying into new businesses and exiting those which were not doing well. It is a matter of great pride for me to lead this organization, which I believe is poised for growth and is future ready.

The agenda is set out in the Notice of the meeting. Before we begin, I would like to take this opportunity to express my gratitude to all of you for your continued support and trust that you have placed in this Company. May I now present the Annual Report of 2017-18 and brief all concerned stakeholders about the Company's performance during the financial year 2017-18 and the environs in which the results were accomplished.

THE BUSINESS ENVIRONMENT

Major reforms were undertaken over the past year,

like the launch of transformational Goods and Service Tax (GST) in July 2017, the advent of the new Indian Bankruptcy Code, which provided a resolution framework for clean-up of the stressed corporate balance sheets, and the announcement of a large capitalization package to strengthen the balance sheets of the public sector banks.

As a result of these measures the economy began to accelerate in the second half of the year. The constant increasing trend of quarterly GDP numbers in the four quarters of 2017-18 at 5.6%, 6.3%, 7% and 7.7% respectively indicates that the structural reform measures undertaken by the Government now seem to be fructifying.

Several industry specific reforms taken by the Government since 2014 have significantly improved the overall business environment in the country. India has leapt 30 ranks over its previous rank of 130 in the World Bank's latest 'Doing Business Report 2018'. Moody's Investors Service has also raised India's rating from the lowest investment grade of Baa3 to Baa2.

As in the previous years, the service sector has consistently been the dominant contributor to the overall growth of the economy. In 2017-18, the service sector grew by 8.3%, as compared to 7.7% in 2016-17. The Government has taken many initiatives in different areas, thus, giving a further fillip to the service

sector, including digitization, e-visas, infrastructure status to Logistics, Startup India, schemes for the housing sector etc. The prospects look bright with good performance of sub sectors like Tourism, Aviation and Telecom.

India is the 3rd largest and the fastest growing domestic aviation market in the world in terms of number of domestic tickets sold. The Government is taking initiatives like liberalization of air services, airport development and regional connectivity through the UDAN scheme to give a boost to this sector.

Recent initiatives taken for enhancing the Logistics sector including transportation, inventory management, warehousing, materials handling & packaging, and integration of information, have helped in management of flow of goods between the point of origin and the point of consumption.

Against the aforesaid macro-economic backdrop, the core competency of your Company lies in its ability to effectively handle multiple diversified businesses in order to keep the top and bottom-line healthy, despite adverse fluctuations in the business segments.

INDUSTRIAL PACKAGING [SBU: IP]

The Indian Packaging industry is estimated at Rs. 220,000 crore, which can be broadly segmented into Industrial and Consumer Packaging consisting of Rigid and Flexible sub-segments.

Balmer Lawrie is the market leader in this industry with a market share of more than 34%. SBU:IP operates through six manufacturing plants on pan India basis, which include the state-of-the-art facility at Navi Mumbai. A new manufacturing facility is being set up at Vadodara which is expected to be commissioned shortly.

Your company is acclaimed for its superior product quality, high reliability in supplies, modern manufacturing systems and processes and an experienced team that is highly customer focused. With the Indian economy in the growth trajectory, the demand for MS drums is expected to continue registering growth in the coming years.

SBU: IP has shown consistent growth in volume, turnover, profitability and profits. Despite the shrinking of almost 15% of the addressable market due to MSME/ Government regulations, the SBU has managed to increase its volumes over the last few years.

Lubricants, Chemicals and Fruit Pulp are the major segments contributing significantly to the SBU's sales, and the commissioning of the Vadodara plant is expected to provide a significant edge to the SBU for further growth.

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

GREASES & LUBRICANTS [SBU: G&L]

India is the third largest lubricant market after USA and China. India is expected to grow at a CAGR of 2-4% over the next five years, with the Automotive segment accounting for 60-65% and the Industrial segment accounting for 35-40% of the market. 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, etc.

Your Company has pan India operations with three manufacturing plants at Kolkata, Silvassa and Chennai backed by excellent state-of-the-art R&D facility. As we don't have a large market share, there is a tremendous opportunity to grow.

The Greases & Lubricants business can be divided as follows:

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

Due to increased thrust in Channel Sales (Automotive and Industrial), this segment achieved an excellent growth of more than 25% in sales volume during 2017-18. During the current year, SBU:G&L has been able to maintain its overall performance in terms of production and sales as compared to last year. There has been marginal improvement in the bottom-line performance of the SBU. SBU: G&L has worked

out strategies in the perspective of substitution, cost effective formulation, value addition, bio-degradable products etc. to combat the challenge of margins in the coming financial year.

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

LEATHER CHEMICALS [SBU: LC]

The Indian leather and leather product industry occupies a place of significance in the Indian economy by virtue of not only being a prominent exporter but also employing a sizeable workforce especially from the economically weaker section of the society, of which, women employment is around 30%.

The leather chemicals industry predominantly caters to the Indian leather tanning industry. The two major categories of leather chemicals are basic and specialty chemicals. Specialty leather chemicals are grouped under three categories such as Beam-house, Wet-end and Finishing. Most of the reputed MNCs offer products catering to all the three categories thereby offering total solution to the leather tanning industry. While technical services and marketing support are rendered directly by the leather chemical companies, the products are made available to the customers through a network of distributors and dealers.

Opportunities in the leather chemicals industry is directly related to the growth of the leather industry. The Government of India has identified the leather, footwear and accessories industry as a focused sector under the 'Make in India' initiative. To enhance employment generation in this industry, various financial packages and incentive schemes are being offered by the Government for technology up-gradation and for increasing the export earnings from this sector. However, artificial leather as an alternate to natural leather poses a challenge for the growth of leather and its associated industry.

SBU: LC follows a robust Operational Excellence framework which helps in identifying issues/areas of concern and ensure closure of such subjects through adherence to systems and processes. The SBU is a registered member of the Leather Working Group (LWG), UK.

SBU: LC achieved higher revenues and remained profitable in spite of the escalating raw material prices through cost reduction, efficiency improvement in planning, manufacturing, sales & marketing, technical services and product development. Overall, the SBU delivered growth in volume and revenue. Both fatliquor and syntan segments witnessed healthy growth. SBU: LC is optimistic about the business scenario and with concerted market development activity, is hopeful of better performance in the coming years.

The manufacturing unit at Manali, Chennai is certified for Integrated Management System comprising ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007.

SBU: LOGISTICS

Logistics Infrastructure (LI)

Logistics is regarded as the backbone of the economy, providing efficient and cost effective flow of goods on which other commercial sectors depend. The Logistics Infrastructure business comprises of three main segments:

- a. Container Freight Stations (CFS) typically set up in the vicinity of Ports
- b. Warehousing & Distribution (W&D)
- c. Temperature Controlled Warehouses (Cold Chains)

CFSs are an extended arm of the port set up primarily with a view to decongest ports. 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 54% of the total container traffic handled in Indian ports. However, implementation of Direct Port Delivery (DPD) at Nhava Sheva and Chennai and the measures taken to streamline its effective implementation during FY 2017-18 resulted in reduction in volumes available for our CFSs.

Despite the weak economic sentiments, with the rise of e-commerce Logistics and increased domestic consumption, the Logistics Infrastructure industry is expected to grow in coming years. Implementation of GST is also helping companies to reduce logistics cost substantially and drive value creation in supply chain.

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 facility for the medical equipment manufacturing units being set up at Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis.

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries which offers a glimmer of hope to this industry. However, 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. Further implementation of Direct Port Delivery resulted in reduction in volume available for CFS.

The Logistics Infrastructure and Logistics Services verticals continue to drive the bottom-line of your Company. During the year, the competitive scenario prevailing in the industry also resulted in lower margins on the volumes handled. Your Company was however, able to retain its present set of customers. The warehousing activity continued to perform well during the year due to better utilisation of space.

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. 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%.

Considering the potential in cold chain logistics, the Company has set up two Temperature Controlled Warehouses one at Hyderabad and other at Rai, Haryana. The third one at Patalganga near Mumbai is expected to be ready for commercial operation by end of 2018.

Further, your Company is in the process of commissioning the Multi-Modal Logistics Hub (MMLH) at Visakhapatnam in partnership with M/s Visakhapatnam Port Trust (VPT) for handling Exim and domestic cargo.

Your Company is also managing the Integrated Check Post (ICP) operations at Jogbani in Bihar bordering Nepal and also at Raxaul, Bihar.

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.

All the three CFS units of LI are certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

LOGISTICS SERVICES (LS)

The Indian logistics services industry is witnessing cut throat competition that is threatening the existence of the freight forwarding industry. With the entry of global giants and large Indian corporate houses into this segment, competition has further heated up.

Air freight services accounts for more than 64% of the vertical's overall top-line. Further, the air chartering activity has contributed 7% to the overall top-line. LS has also made significant progress in ocean freight activities.

The 'Make in India' initiative will give a push to the EXIM movement – both air and ocean. Capital equipment and project cargo are expected to be imported while semi-finished goods and components will be exported.

Due to stiff competition in the air and ocean freight segments, LS suffered a de-growth of 9% in the top-line. As a consequence, the bottom-line also got affected marginally compared to the previous year. LS was able to increase its business from the private sector by 3% on year-on-year basis, with the major increase coming from ocean export freight from Chennai, Mumbai and Kolkata branches. The Project Logistics team was able to bag prestigious orders and executed them very efficiently earning accolades from the customers.

Threats open doors for opportunities. Your Company is flexible enough to react to the changes and thus, has formed a robust sales & marketing team of experienced logistics professionals, to draw a roadmap to generate untapped business from PSE/Government sectors, aggressively grow in the private sector segment to improve its topline and work towards bringing in operational efficiencies and customer delight by leveraging technology.

Close integration between LI and LS has helped to offer comprehensive and cost effective single window solutions to customers. However, the gradual shift to ocean movement from air calls for exploring strategic carrier contracting to keep competition away for our base cargo load.

Significant increase in CIF nomination for Imports and FOB in terms of Exports pose a big threat for regional service providers like us as the assessable market share would drop as against MNCs because of their

worldwide presence. The freight rate volatility because of trade imbalance and crude oil prices exposes us to considerable risk and poses a challenge for us to hold on to our margins from fixed term contracts.

Though we were able to increase the contribution by reducing the operational cost, the bottom-line of LS got affected adversely primarily due to lack of large voluminous movements.

TRAVEL & VACATIONS [SBU: T&V]

Travel

Your company is one of the largest Travel Management Companies (TMC) catering to corporate travel and business travel of various Central Ministries, Banks and PSUs. It has presence in almost 88 locations across the country.

This business vertical has shown remarkable progress in turnover and profit in 2017-18, inspite of constant decrease in IATA commission being paid by all leading domestic and international airlines to the booking agents.

There is tremendous growth potential in the industry with many domestic airlines eyeing opportunities in the international sectors. Despite the rising fuel prices, the aviation sector is poised for growth due to the 'UDAN' scheme (which aims at connecting smaller cities), increase in 'disposable income' of the middle class and augmentation of capacity by airlines.

This vertical is further driving growth by offering SBT (Self Booking Tool) facility to PSUs, a facility that helps in seamless booking and cancellation of tickets, payment and its appropriation against specific invoices.

Delay in settlement of bills continues to be a major area of concern. Further, there is a threat of losing business to consolidators, who are able to offer large discounts to corporate customers on the basis of a better Productivity Linked Bonus Scheme that they are able to negotiate with the airlines. The only way to combat this is constant increase in volume and turnover for this vertical. Your Company is conscious of this fact and is working on different strategies to increase the turnover of this business.

Today, most of the air travelers are internet savvy and hence, turn away from the brick and mortar set up like that of our Company. Further, the share of tickets sold through OTAs is on the increase year after year which

reduces the 'space' available for an organization like Balmer Lawrie. Moreover, there is always a push for 'cost reduction' in Government departments and business class travel is discouraged.

Despite all these odds the Travel vertical has registered an increase of 22% in net sales and over 100% in profits. The growth in turnover brings better PLB, to your Company.

To obviate the issues faced due to reduced 'business travel', your Company also wants to increase its presence in the B2C segment. Efforts are on to popularize the Balmer Lawrie travel portal (www.balmerlawrietravel.com) to increase sales.

The vertical is looking at digitalization of the processes including digital maintenance of records, bill details/collection details from clients as well as auto invoicing of tickets. Cash collection is discouraged across branches and efforts are being made to ramp up the software support to the business.

Vacations

As one of the world's largest economic sectors, Travel & Tourism creates jobs, drives exports and generates prosperity across the world. The domestic Meetings, Incentives, Conferences and Events (MICE) market in India is big and expected to grow at the rate of 15%. Overall, the MICE market in India is expected to reach INR 66k crore by 2030. All forms of travel - outbound, inbound and domestic are expected to grow multifold.

The travel and tourism industry is highly fragmented comprising reputed large MNCs, small and medium size domestic/regional companies as well as small local franchisee outlets. Organized large players primarily go for innovative marketing campaigns and attractive pricing strategy, while small and medium size local/regional companies play by providing highly customized personal level services by keeping their overheads low.

The Vacations vertical of Balmer Lawrie has researched and accordingly planned strategic actions for leveraging the growing market demand and favorable Government initiatives. The products are designed in line with the current market trends and priced competitively. Manpower is trained to provide wide spectrum of end to end niche services to its retail and corporate customers.

The Vacations vertical continues to make efforts towards capturing the growing consumer demand and

increased corporate requirements. Vacations Exotica is amongst the leading holiday brands in the country and enjoys high level of customer satisfaction, which not only ensures retention of the existing customers for repeat business but also helps the brand to grow by positive word of mouth.

The SBU is presently undergoing a technology up-gradation to further increase its efficiency. This up-gradation will aid us in further streamlining our services and provide better interface with our valued customers and associates.

Discretionary nature of leisure travel, terrorism activities around the globe, unfavorable & volatile currency, under cutting of prices by large players by way of huge discounting and aggressive marketing by not only online travel companies but also by big MNCs may pose significant challenges for the business in the short, medium and long term.

The Vacations vertical during 2017-18 reported lower turnover due to reduction in NRI business, lower GIT and FIT. However, there is buoyancy in bookings for the FY 2018-19.

In the last one year, the Vacations vertical has strengthened its position by taking multiple steps like introducing new products, enhancing its marketing initiatives, streamlining the supply side and also the sales offices, which in totality resulted in acquiring many retail customers and Government business.

The Vacations vertical is laying thrust on the retail sector through strategic focus and expansion of its 3 level distribution channels namely Franchisee, Preferred Partner Agents and Travel Agents. The vertical is also working towards further strengthening its MICE capabilities for both domestic and outbound to drive revenue growth. 'Vacations Exotica' is being repositioned with a new theme and tag line of 'Collect Stories' and the website is being revamped to give the brand a much younger and new age look to target wider customer segments.

The Vacations vertical has the following concerns:

- Travel and holiday customers are increasingly becoming more and more internet savvy and also have access to all the required information on real time basis. Online portals therefore may pose risk for offline players in medium to long term and will continue to put pressure on margins.

- Highly fragmented market and stiff competition is eroding margins.
- With aggressive market expansion and growth, acquiring and retaining quality man-power at a reasonable remuneration is becoming increasingly difficult.

The Vacations vertical has in place an effective internal control mechanism and during the year under review, internal audits were carried out in all branches and the findings were satisfactory.

Refinery and Oil Field Services [SBU: ROFS]

The SBU: ROFS is engaged in oil sludge processing for refineries and oil exploration companies, not only recovering useful hydrocarbon through such process but at the same time reducing the risk of environmental hazard from untreated sludge. This novel process of hydrocarbon recovery from oil sludge has gathered momentum due to the high crude oil prices across the globe. The SBU is the pioneer in mechanized in-situ sludge processing and maintains leadership position in India with nearly 70% market share.

The SBU has an exclusive license agreement with its technology partner based in Europe who have developed the patented BLABO process, which still enjoys the technical superiority over other processes. This being a specialized field, the SBU constantly faces challenges with respect to availability of trained and skilled manpower for carrying out onsite operations. Though technology acts as an entry barrier, small players with average technology are trying to make inroads by offering competitive prices.

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

The major risk foreseen by the SBU is the emergence of newer technologies, which would reduce generation of oil sludge in the storage tanks in the refineries, thereby limiting the need for sludge processing in the long run.

Multinational companies through their associates in India are exploring opportunities in this sector and the SBU is considering necessary technology upgradation, in not only maintaining its market leadership but also its superiority in terms of technology.

Sludge processing and lagoon cleaning being an on-site operation, 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.

OVERALL FINANCIAL PERFORMANCE

Your Company recorded net turnover of Rs. 1,797 Crores during 2017-18 as against Rs. 1,779 Crores in 2016-17 registering an increase of approximately 1% above last year. Further, the Company recorded a Profit Before Tax of Rs. 261.12 Crores in 2017-18 as against Rs. 254.11 Crores in 2016-17, the increase being attributable to improved performance of various SBUs, particularly, SBU: Travel & Vacations and higher dividend income earned during 2017-18.

CORPORATE GOVERNANCE

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is a responsible corporate citizen and is constantly focused on enhancing its triple bottom-line year-on-year. In line with this, various CSR initiatives are undertaken driving sustainable development and growth for its stakeholders. 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 our Company's work-centers. In order to facilitate company wide implementation of our CSR policy and ensure that CSR is embedded across various business units and their operations, a CSR governance structure has been put in place. A total sum of Rs.438.34 Lakh was spent during the year 2017-18, towards programs like Swachh Bharat Abhiyan, Education and Child Sustenance, Health, contribution towards Skill Development Institutes etc.

ACKNOWLEDGEMENT

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

Prabal Basu
Chairman & Managing Director

7th July, 2018

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting the 101st Report on the operations and results of your Company for the financial year ended 31st March, 2018, together with the Audited Financial Statements Auditor's Report 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 March		Year ended 31 March	
	2018	2017	2018	2017
Surplus for the year before deduction of Finance Charges, Depreciation and Tax	29191	28449	26943	26645
Deduct there from :				
i. Finance Charges and Depreciation	3079	3038	3113	3041
ii. Provision for Taxation	7630	8369	7349	8123
Profit after Tax (PAT)	18482	17042	16481	15481
Add : Transfer from Profit & Loss Account	65882	59110	84425	74472
Total amount available for Appropriation	84364	76152	100906	89953
Appropriations :				
Interim Dividend	—	—	—	—
Dividend @ Rs. 7.00 (Rupees seven) per equity share (post bonus) (previous year Rs. 20.00 (Rupees twenty) per equity share)	7980	5700	7980	5700
Corporate Tax on Dividend	1670	1193	1670	1193
Transfer to General Reserve	—	3000	—	3000
Other Adjustment	1	377	-2476	-4365
Minority interest / Foreign Exchange Conversion Reserve etc.	—	—	—	—
Surplus carried forward to next year	74713	65882	93732	84425
Total of Appropriation	84364	76152	100906	89953

* The Board's Report is based on standalone results 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.1,79,710.38 Lakh during 2017-18 as against Rs.1,77,945.64 Lakh in 2016-17 registering an increase of approximately 1% above last year.
- The Company recorded a Profit Before Tax of Rs.26,111.51 Lakh in 2017-18 as against Rs.25,410.90 Lakh in 2016-17, the increase being attributable to improved performance of various SBUs, particularly, SBU: Travel & Vacations and higher dividend income earned during 2017-18.
- The Reserve and Surplus of your Company increased to Rs.1,14,186 Lakh as on 31st March 2018 compared to Rs.1,05,199 Lakh as on 31st March 2017.

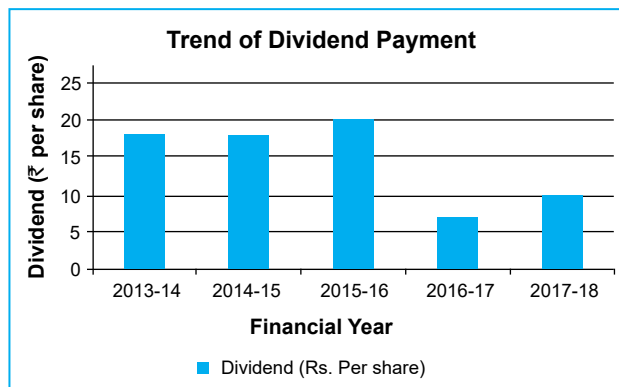
Share capital

The paid up Equity share capital of the Company as on 31st March, 2018 stood at Rs.1,14,00,25,640 consisting of 11,40,02,564 Equity Shares of Rs.10/- each fully paid up. During the year, the Company has not issued any share with differential voting rights nor has granted any stock option or sweat equity share.

Dividend

A dividend of Rs.10/- (Rupees Ten only) per fully paid up Equity Share, on the entire equity share capital of the Company has been recommended by the Board of Directors for Financial Year 2017-18, for declaration by the Members at the ensuing 101st Annual General Meeting (AGM) to be held on 12th September, 2018. The dividend, if declared at the ensuing 101st 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 5th September, 2018, End of Day. In respect of shares held electronically, dividend will be paid to the beneficial owners, as on 5th September, 2018, End of Day as per details to be furnished by their respective Depositories, i.e.,

either Central Depository Services (India) Ltd. or National Securities Depository Ltd. The trend of past dividend payment is depicted below:



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

DIVIDEND DISTRIBUTION POLICY

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

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

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

No material changes and commitments have occurred after the close of the financial year 2017-18 till the date of this Report, which could affect the financial position of the Company except the following events which have been already reported through stock exchanges and the website of the Company:

- the Board at its Meeting dated 29th May 2018 approved the acquisition of 10% equity share of RCHobbytech Solutions Private Limited out of which 2% would be transferred to Indian Institute of Management-Calcutta Innovation Park

(IIM-CIP) for providing incubation support to the start-up and acquisition of 8.5 % equity share of Kanpur Flowercycling Private Limited out of which 2% would be transferred to IIM-CIP for providing incubation support to the start-up.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CONSOLIDATED FINANCIAL STATEMENTS

The Financial Statements and results of your Company have been duly consolidated with its Subsidiaries, Associates and Joint Ventures pursuant to applicable provisions of the Companies Act, 2013 and allied Rules, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and Indian Accounting Standards (Ind-AS).

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

REPORT ON SUBSIDIARIES

During the year under review, no company has ceased to be a Subsidiary or Associate Company.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

http://www.balmerlawrie.com/app/webroot/uploads/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 in respect 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.

SUBSIDIARIES AND ASSOCIATE COMPANY

A brief write up on the performance and financial position of Subsidiary, Joint Venture and Associate companies of your Company is presented hereunder:

BALMER LAWRIE (UK) LTD. [BLUK]

Balmer Lawrie (UK) Ltd. ('BLUK') is a 100% subsidiary of your Company incorporated in the UK. The subsidiary had previously been engaged in the business of Leasing & Hiring of Marine Freight Containers as also in Tea Warehousing, Blending & 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 20 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 under review, the JV has performed satisfactorily and was able to earn significant profit of IDR 10.18 billion as against a loss of IDR 1.84 billion incurred in the previous year, due to increase

Balmer Lawrie & Co. Ltd.

in volume of Sales achieved during 2017-18. The Turnover achieved by the JV has grown by 126% in the current financial year over that achieved during 2016-17.

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED [VPLPL]

As part of the Strategic plan, your company has been consistently looking for opportunities for growth in the Logistics sector. In this context, a JV has been formed in the name of VPLPL with Visakhapatnam Port Trust (VPT) contributing 40% of equity and the remaining 60% being funded by your company to set up a Multi Modal Logistics Hub in Visakhapatnam on a 53 acre land allotted to the company by VPT. During the year the company completed the Rail connectivity, made ready the yard for storage of loaded and empty containers. Commercial operations are expected to commence during the third quarter of this fiscal. This Multi-Modal Logistics Hub (MMLH) is built to handle both Exim and domestic cargo. Exim area will have CFS / ICD, Warehousing, Cold Storage/Temperature Controlled Warehouse, Open Cargo Storage, Hazardous & Non-Hazardous Cargo Handling, Truck Parking etc. Non-Bonded/non notified Domestic area will have Yard for Container Storage, General Warehousing, Cold Storage, Open Cargo Storage, Truck Parking, empty container storage, Repairs and maintenance area for containers etc. The unit is also having rail connectivity with a 1.30 KM length track, where 4 rakes can be handled in a day. This hub is the only facility to have direct connectivity with the Port for a seamless movement of laden import and export boxes to and from the Port to the MMLH. The admin building is of 2500 sq.mt. having modular seating arrangement with all modern amenities promising a wonderful experience for the customers, CHAs, etc.

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 2017.

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

BLUAE has now firmed up long term plans and embarked on plant modernization and capacity enhancement initiatives across its different product lines.

Overall performance during the year was extremely satisfactory and inspite of stiff competition in the market leading to tremendous pressure on the margins for the products sold by the company, the company had been able to achieve the best ever performance during the year under review . However, in the light of the current geo-political / business environment prevailing in the region where the company operates, the company expects an extremely challenging task to maintain similar growth momentum during 2018 as had been achieved over the last couple of years.

BALMER LAWRIE – VAN LEER LTD. [BLVL]

BLVL has closed the Financial Year 2017-18 with a commendable performance. It has clocked a growth of 15% in operating profit with a corresponding moderate growth in turnover which surged from Rs. 421.9 crores in FY 2016-17 to Rs. 438.6 crores in the current year.

The Steel Closures division of the company at Turbhe (Mumbai) shows some remarkable progress where the Sales and production increased by 25%. Other units of the Company like Plastics divisions and Closure division at Bengaluru maintained a 20% increase on YOY basis.

Over the past few years, the company is witnessing a surge in demand on their plastic products. To overcome this challenge the company is all set to invest in a Greenfield project at Dahej, in Gujarat. The land has been acquired and production is expected to commence next year.

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

For the year 2017-2018, the company has achieved sales volume of 1,347 KL of lubricants blended, 23 MT of greases reprocessed and packed and 301 MT of the ester basestocks manufactured.

The company was able to achieve the highest ever Net Sales of Rs.6,537 Lakh with Profit Before Tax of Rs.1,568 Lakh as compared to Net Sales of Rs.6,057 Lakh with Profit Before Tax of Rs.1,647 Lakh for the year 2016-17.

The Profit Before Tax (PBT) for the year 2017-18 is lower as compared to previous year PBT mainly due to change in the product mix sold during the year and increased cost of raw materials.

TRANSFAE SERVICES LTD. [TSL]

TSL is a joint venture of BL and BLVL with 50% shares each. During the financial year 2017-18, TSL experienced a tough time as compared to its earlier years. All the businesses of TSL suffered majorly for want of working capital. Its turnover for the financial year 2017-18, was Rs. 3429.59 Lakh as against Rs. 5682.22 Lakh earned during the previous year 2016-17. It incurred loss of Rs.2116.06 Lakh as compared to loss of Rs. 1078.50 Lakh incurred for the previous financial year 2016-17.

The total revenue for manufacturing business was Rs.832.65 Lakh as compared to Rs.1641 Lakh earned during the previous financial year 2016-17. This decline in revenue was mainly due to shortage of working capital, whereby TSL is not able to accept and also timely execute manufacturing orders. It has

currently manufacturing orders of more than Rs. 20 crores and similar are the prospects for the other two business verticals.

The revenue of leasing business decline due to the aging containers without replacement and repair, whereby either the customers had off-leased the containers or negotiated its further usage at a lower lease rentals. During the financial year 2017-18, the income from lease rentals was Rs. 1432.87 Lakh as against Rs. 1979.27 Lakh, earned during the previous year 2016-17.

The logistics business also affected mainly due to acute working capital shortage, whereby it was not able to accept larger business, which requires considerable investments. Logistics revenue for the financial year 2017-18 was Rs.1045.64 Lakh as against Rs.1861 Lakh earned during the previous financial year 2016-17.

The joint venture has large unsustainable bank loans impacting its bottom line for years and is exploring the possibility of a onetime settlement (OTS) with the lending banks. The JV is also looking for strategic partner to invest in the Company and such investment would be used towards funding the bank loan settlement (OTS) and future working capital requirements. Efforts are continued to find a solution to the financial strain faced by the company.

MEMORANDUM OF UNDERSTANDING (MOU)

Every year your Company enters into MoU with the Government of India, Ministry of Petroleum & Natural Gas (MoP&NG) based on guidelines issued by the Department of Public Enterprises [DPE]. The MoU sets out various targets on operational, financial, efficiency return on investment, capacity utilization, technology upgradation, Human Resource Management etc. Your Company's performance score in respect of the MoU for the year 2016-17 has been adjudged by the DPE in "Excellent" category. MoU evaluation for the year 2017-18 is yet to be completed.

HUMAN RESOURCE MANAGEMENT

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 focus areas had been identified by the HRM Division in 2017-18:-

- Enhancing employee productivity to reach the best in class levels and improve profitability by striving for competitive wage cost.
- Continue to build employee capability, upgrading leadership and manage talent & employee performance across all levels of the workforce.
- Renewed focus on enhancing employee engagement and happiness.

[a] Talent Acquisition

In today's intensely dynamic markets, the Company has successfully inducted 32 Executives and Officers during the year to reinforce the Company's performance and bolster the Company's capabilities in all business areas.

[b] Training and Development

The Company adjusts the learning management practices and solutions in line with the organizational growth or productivity. We continued to invest in enhancing the professional skills and competencies of our employees. With the objective of enhancing the functional and leadership competencies, extensive training programs for employees in line with the business requirement of the Company, both in the areas of general management and specialist skill development were planned and executed. In all, 1088 Man-days were achieved including in-house and external programmes including workshops, conferences, seminars and training programmes for all categories of employees during the year.

Our Company has also provided 8.5% of total Executives, one week of training in Centre of Excellence at XLRI, Jamshedpur as a part of their Talent Management and Career Progression Plan. The objective of this multidisciplinary programme was to help middle & senior management become adept at managing the interplay between business functions and excelling at managerial decision making.

[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. Our Company has maintained 100 % On-line submission of ACR/APAR in respect of all Executives (E0 and above) along with compliance of prescribed timelines with respect to writing of ACR/APAR during year FY 2017-18.

[d] Employee Engagement and Welfare

An effective work culture has been established in the organization which encourages participation and involvement of employees in activities beyond work. Towards furthering this, during the year, the 152nd 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.

Every year Town Hall Meetings are organised across locations pan India, during which C&MD and the whole time Directors of the Company addresses all Executives and Officers. This initiative provides a platform for the employees to interact with C&MD and Directors and give suggestions.

Employment of Special Categories

During the year, in the executive & officer cadre, 5 employees in the SC category, 8 employees in the OBC category, 1 employee in the ST category, 4 women employees were recruited. The actual number of employees belonging to special categories, Group-wise, as on 31st March, 2018 is given below:-

Group	Regular Manpower as on 31.03.2018	SC	ST	OBC [*]	PH	Women	Minorities
A	477	46	5	71	3	48	26
B	214	30	0	50	3	26	13
C	78	3	0	18	3	10	2
D [including D1]	359	43	5	79	6	5	61
Total	1128	122	10	218	15	89	102

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

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

In compliance with the above Acts, the Company has implemented reservation rosters including 4% reservation for persons with benchmark disabilities. Further, to mitigate the shortfall, a special recruitment drive is slated during 2018-19.

Employee Relations

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

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

Implementation of Official Language

To ensure implementation of Rajbhasha policy of the Government of India, our Company has taken several steps to promote usage of Hindi in official work. Various activities like workshops, meetings, etc. were organized during the year and the Rajbhasha Pakhwada was celebrated at all locations of the company during the month of September, 2017. Hindi Seminars were organized on 23rd June, 2017 and 21st November, 2017 at Kolkata and Ahmedabad respectively. A Hindi Kavi Sammelan including poets from other Kolkata based Public Sector undertakings was also organized on 4th December, 2017.

We have also trained 45 employees in Hindi Prabodh, Praveen and Pragya courses. Implementation of the Rajbhasha Policy is top driven in our company and our Company received award from Town Official Language Implementation Committee (PSU), Kolkata for the best implementation official Language in official work for the year 2016-17. The award was presented by the Hon'ble Governor of West Bengal during the half yearly meeting held on 21st August, 2017.

Women Empowerment

The Company provides a very conducive ambience for employment of women. The percentage of women employees is on the rise with new recruitments. The present strength of women employees is 7.89% despite the fact that a large chunk of our workforce constitutes of shop floor workers. The Company has created an atmosphere conducive for women employees to join and build a career in this organization.

Internal Complaints Committee

Our Company has constituted Internal Complaints Committee in all four regions of the country under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("The Act").

No complaint under the Act was received during the year 2017-18.

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

- o 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.
- o Focus on quality of education and encourage children from marginalized sections and girls to complete school education and opt for higher education.
- o To focus on livelihoods and skill development in order to provide opportunities to women and youth and make them self-reliant.
- o Initiate holistic development programs for differently abled children and orphans with a

view to provide them opportunities to lead a meaningful life.

- o 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

Balmer Lawrie's current focus is to enhance its triple bottom line year on year. In line with this, the Company has been driving various corporate social responsibility projects independently around its units and establishments across the country and has also been supporting various programs initiated by the Government of India like the Clean India Mission and Skill Development Institutes. The Company believes in achieving higher socio-economic goals and in pursuance of this belief, it is committed to conducting its business in a socially responsible manner and be

responsive to the needs of the society at large. The various CSR initiatives pursued by the Company since the last few decades are aligned with the overall objective of driving sustainable development and growth for its stakeholders.

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

In pursuance of these Programs, the Company has undertaken several community development projects, partnering with various NGOs with a focus to trigger development at micro-communities and thereby generate the desired developmental impact. The focus areas for the Schemes under the Programs, amongst others, have been on education, healthcare, sanitation, shelter, integrated village development, employment generation, vocational training leading to employability & livelihood, rehabilitation of the destitute, disaster mitigation, and environmental protection. CSR efforts are channelized on the above mentioned thematic focus areas and target groups like children, women, youth, elderly and differently abled people.

Through the various CSR programs, the Company has constantly endeavored to integrate the interest of the business with that of the communities that form part of the areas it operates. In keeping with Department of Public Enterprises [DPE] guidelines on CSR, the Company has formulated a CSR Policy and Long Term Perspective Plan. In order to facilitate company wide implementation of our CSR policy and ensure that CSR is embedded across various business units and their operations, a CSR governance structure has been put in place.

With the advent of the various flagship programs launched by the government, we as an organization

take pride in furthering the initiatives which comes under the purview of CSR by engaging specialized agencies, and in keeping with the DPE guidelines, the Companies Act, 2013 and Schedule VII of the Companies Act.

A total sum of Rs. 438.34 Lakh was spent during the year 2017-18, towards CSR activities.

For Details of the policy: visit our website: www.balmerlawrie.com

2. The Composition of the CSR Committee as on 31st March, 2018 was as under:
 - i. Ms. Atreyee Borooh Thekedath, Independent Director - Chairperson
 - ii. Shri Kalyan Swaminathan - Member
 - iii. Shri Shyam Sundar Khuntia – Member

Subsequently, in the month of May, 2018, the following directors were inducted as member of the CSR Committee:

- i. Shri Vijay Sharma, Government Nominee Director-Member
 - ii. Shri Sunil Sachdeva, Independent Director-Member
 - iii. Shri Ratna Sekhar Adika-Member
3. Average net profit of the company for last three financial years - Rs. 22,365 Lakh.
 4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) - Rs. 447.3 Lakh.

5. Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year - Rs. 447.3 Lakh
- (b) Amount unspent, if any - Rs. 9 Lakh
- (c) Manner in which the amount spent during the financial year is detailed below.

CSR EXPENDITURE INCURRED DURING 2017-18							
1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs 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	18.50	18.50	18.50	Indian Institute of Cerebral palsy (IICP)
2	Sponsoring of 02 family homes at SOS Children's Village of India	Education	1) Local area 2) West Bengal /Kolkata & Telangana / Vishakhapatnam	19.20	19.20	19.20	SOS Children's Village of India
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 (FTS)
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, Chittoor / Haryana / Asaoti	17.50	19.93	19.93	Pragati Sangha of Dara in west Bengal/ Directly by Company

(Rs. in Lakh)

CSR EXPENDITURE INCURRED DURING 2017-18							
1	2	3	4	5	6	7	8
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs 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, Chennai, Dadra Nagar Haveli, Delhi and Mumbai	108.00	85.21	85.21	Pragati Sangha of Dara/ Chennai Municipal Corporation/ Nirmaan Foundation / Balmer Lawrie
6	Water Tank at Sayali village	Swachh Bharat Abhiyan	1) Local area 2) Dadra Nagar & Haveli / Sayli	20.00	20.00	20.00	Rotary Club of Panvel
7	Skill Development Institutes	Skill Development	1) Others 2) Odisha / Vishakhapatnam /Rae Bareilly / Guwahati	150.00	150.00	150.00	SDI- Odisha, Vishakhapatnam, Rae Bareilly and Guwahati
8	Mobile Health Van for Old Age	Health	1) Local area 2) Tamil Nadu / Manali	28.50	28.50	28.50	Helpage India
9	Support for Construction of Statue of Unity	Donation to Trust	1) Others 2) Gujarat / Vadodara	62.00	62.00	62.00	SV Patel Rashtriya Ekta Trust
10	Administrative Expenses			14.00	21.00	21.00	Balmer Lawrie
11	Miscellaneous				4.00	4.00	
	TOTAL CSR Expenditure			447.70	438.34	438.34	

financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company could spent a total of Rs. 438 Lakh out of Rs. 447 Lakh. An amount Rs.9 Lakh is being carried forward to this year. This is because of delay in land allocation for construction of public toilet in Panvel, Mumbai by the Panvel Municipal Corporation.

7. Responsibility statement of the CSR Committee

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

Shyam Sundar Khuntia
Director (Finance) and CFO

Atreyee Borooah Thekedath
Chairperson of the CSR Committee

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2018 is attached as **Annexure 2**.

OCCUPATIONAL HEALTH & SAFETY

Employee Health & Safety

The Company accords high priority to Employee Health & Safety. In pursuance of this, the Company has established an integrated Health & Safety Management System across the organization. The Company has published HSE Manual which would be used as reference book in plants and other establishments of the Company. The Company carries out HSE audit for all its manufacturing and Container Freight stations as per the HSE audit protocol of the manual. The Company has also introduced HSE MIS system for all manufacturing & CFS units. Every plant/ CFS unit submits a monthly HSE MIS to corporate office enabling taking corrective steps. Major plants / units of the Company are OHSAS 18001 certified. All Occupational Health & Safety Standards are adhered to as per The Factories Act, 1948. Major initiatives / activities undertaken in this domain in 2017 - 18 were as follows:

- HSE Audits were carried out in all manufacturing units/establishment of the Company during the year and recommendations thereof implemented.
- Company achieved Zero LTI (Lost time Injury) for the first time in a financial year 2017-18
- Process safety training carried out for LCD division and Process safety audit done for the TCW Hyderabad.
- Behaviour based safety program carried out for all Plant managers, Maintenance managers and Operational managers for G&L and IP Plants in Kolkata.
- HSE legal training carried out for the employees from all manufacturing units.
- Conducted HSE awareness training for employees involving 500 man-hours.
- Project HSE plan implemented at the green field project sites of Temperature Controlled Warehouse at Patalganga.
- Observed Safety Week from 4th to 11th March 2018 across all plants and establishments of the Company.
- Defensive Driving training carried out at Kolkata, Mumbai and Chennai for employees to create awareness on Road safety.

- HSE progressive disciplinary policy being rolled out in the financial year 2017-18
- Management of Change (MOC) procedure rolled out in 2016 has been ingrained in the system of most of the manufacturing plants.
- The 47th National Safety Week was observed from 4th to 10th March 2018 in all units/establishments across locations. The week commenced on 4th March, observed as National Safety Day, with the administering of the safety pledge and reading out of C&MD's message. In line with the theme, various programs were organized over the week. The programs included extempore, quiz, skit, spot the hazard contest, Mock Drills, safety slogan & essay writing and poster competitions.

Environmental Protection and Sustainability

Being fully committed towards the protection and conservation of the environment, the 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 14000. 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 the Company in this domain in 2017-18 include:

- Saplings planted at all units on the occasion of World Environment Day 2017. Online quiz on Environment carried out for all employees to create awareness.
- Workshops were conducted across the organization to sensitize employees and stakeholders on Business Responsibility Report

and Sustainability Reporting.

- The Application Research Laboratory of the Company continue to make significant progress in developing a number of bio-degradable & environment friendly lubricants.
- Rain water harvesting continue to give good water conservation at Leather Chemical Division in Manali.
- Silvassa plant of Industrial Packaging and CFS Chennai division replaced roof top asbestos sheets with environment friendly pre coated GI sheets.
- LCD Chennai significantly reduced water consumption by recycling of condensate water in the process.
- IP Asaoti replaced 250 W Mercury lamps with 72 W LED lamps thereby reducing energy consumption significantly.

COMMUNICATIONS & BRANDING INITIATIVES

The various internal communication and branding initiatives driven during the year 2017-18 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.
- Support provided in compilation of the BL History Book written by two ex-C&MDs, covering last 25 years history.

Balmer Lawrie & Co. Ltd.

- The corporate film along with the SBU versions were revamped.
- The corporate website was revamped to enhance look & feel and make it more user-friendly.
- Office branding support provided to Chennai city office and other regional offices; Chennai city office branding was completed.

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

- Special BL Calendar designed in-house to showcase the diverse businesses of Balmer Lawrie.
- PR and Communication for GST roll out, BL Start-up fund etc.
- Media Coverage: Corporate Reports in business magazines/papers and coverage of CSR initiatives etc.
- Branding of Swachh Bharat Abhiyan and other similar initiatives.
- SBU specific Microsites: All the Microsites except the travel and vacations sites were developed in Hindi.
- Branding in Exhibitions and Corporate events highlighting BL's journey of over 150 years, its rare distinction of earning profits since inception and its strength in the diverse businesses.
- Regular updates related to company events, initiatives of Hon'ble PM and Ministry of Petroleum and Natural Gas are posted on the BL Facebook and Twitter pages.

Further, comprehensive branding plans for the year 2017-18 are in the process of implementation in SBUs: Greases & Lubricants and Travel & Vacations by their respective marketing teams.

INFORMATION TECHNOLOGY

Your Company is committed to adapt competitive latest information technology system for the business

requirements. During past year your company has taken various IT Initiatives. Keeping in line with the ever changing IT environment, your company has adopted the revised IT Policy covering entire aspect of IT administration, Hardware, software, IT security with a guidance document for a secured business operation. Phase-I of SAP system is implemented successfully and as decided during inception of project, your company has initiated Phase II. Under Phase II of SAP implementation, your company has rolled out Employee Self Service, Performance Management System along with Payroll system.

Your Company has also implemented multiple IT infrastructure related projects to provide better manageability and control keeping in view the increased requirements of the business. Balmer Lawrie has implemented Secure Web Gateway as well as Enterprise Level Antivirus for managing End user devices. To strengthen the relationship and generate new business ideas, Information Technology department has initiated a program of "IT Sampark" for continuous engagement with users for understanding the requirements and provide solution.

Your Company has taken the ambitious target of going paperless. In the first phase, a consultant has been appointed for requirement gathering and planning for the appropriate technology backbone, which is expected to be completed by July'2018. To manage the access control of the SAP users to avoid any conflict in authorization to reduce risk to the company, Your company is implementing the Governance and Risk Control (GRC) in SAP and expected to be completed by November 2018.

PROGRESS ON PRINCIPLES UNDER 'GLOBAL COMPACT'

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

The Communication of Progress report for the year 2017–18 highlights your organization’s efforts and achievements in furthering its sustainability goals which are seamlessly integrated with the overall business objectives. For the first time your company has published the Business Responsibility Report [BRR] and Sustainability Report 2016-17, thereby disclosing its performance on the triple bottom line to its stakeholders. The leadership of your company has recently endorsed the roll out of the ‘HSE Progressive Disciplinary Policy’ with the aim of fostering and nurturing the HSE culture in the organisation. SBU: Industrial Packaging (IP) was the proud winner of the BayBuy Award for sustainable value add, for the year 2017, given away by Bayer Corporation. Winning this award is a reflection of the organisation’s commitment towards sustainability. This year the IP plants at Asaoti, Navi Mumbai and Silvassa have scored 200/200 in the audit for Together for Sustainability (TfS). Trust and transparency is key to driving a culture of sustainable development and your company stands committed in its journey to steer sustainable growth not only in its businesses processes, products and services but in

the overall ecosystem comprising all its stakeholders and the community

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 October 12, 2005 to promote openness, transparency and accountability in functioning of Government Department, PSUs etc.

Balmer Lawrie has designated Senior Manager (Legal) as Central Public Information Officer and Company Secretary as First Appellate Authority under the RTI Act, 2005. Detailed information as per the requirement of RTI Act, 2005 has been hosted in your Company’s Web Portal <http://balmerlawrie.com/pages/viewpages/27> 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 2017-18 is shown in the table below:-

	Opening Balance as on 01.04.2017	Received during the Year (including cases transferred to other Public Authority)	No. of cases transferred to other Public Authorities	Decisions where request/ appeals rejected	Decisions where requests/ appeals accepted	Closing balance as on 31.03.2018
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Requests	24	82	0	1	80	25
First Appeals	0	7	0	0	6	1

(A) Conservation of energy –

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

As an energy efficient and socially responsible entity, Balmer Lawrie & Co. Ltd. has over the years taken various measures to not only reduce the consumption

of energy through use of energy efficient equipment but has also focussed on renewables as a source of alternate energy thereby reducing the load of carbon emissions.

SBU: IP by using transparent roof top sheets at Silvassa plant, has significantly reduced the usage

of electricity through utilization of natural day light. Replacement of bulbs and tubes with LED lights, installation of variable frequency drives, energy saver panel, automatic power factor control system, synchronization of conveyors for reduction of idle running time in various plants etc. have greatly helped in conservation of energy.

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

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 equipments and to reduce adverse use of energy and or its wastages. Variable Frequency Drives, Energy efficient- motors, Air conditioners and lights have been installed. Automatic Power Factor Control Panel and Harmonic filters have also reduced significant loss of energy.

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

Balmer Lawrie & Co. Ltd. has always emphasized on the use of renewable energy for fulfilling a part of its total energy requirement. The Company has an installed solar power plant capacity of 490 KWp of which 260 KWp capacity is available at Industrial Packaging Plant, Asaoti, 200 KWp capacity at Manali Plant, Chennai and the remaining 30 KWp capacity at Industrial Packaging Plant, Navi Mumbai. All the solar plants together has generated more than 5 Lakh units in the current financial year.

(iii) The capital investment on energy conservation equipments:

The manufacturing SBUs has spent more than Rs 136 Lakh towards installation of energy efficient systems / equipment in its various plants.

(B) Technology absorption –

(i) The efforts made towards technology absorption;

Balmer Lawrie & Co. Ltd. is vigilant and active in acquisition and absorption of right technology to drive

its topline and bottom-line. Implementation of SAP is helping the various businesses in not only having better control in its operations and transaction but also in taking right decisions through meaningful insight of data pertaining to sales, operations, planning, SCM etc. Implementation of SAP dashboard has helped in better monitoring and review of business performance. HRMS being replaced with SAP Employee Self Service is expected to streamline the processing and upkeep of employee life cycle activities, thereby reducing manual interventions, increasing transparency and efficiency in the processes.

The Research & Development centers of the various SBUs are constantly evaluating the changing trends in technology and needs of customers and are developing products which can meet the growth aspirations of the company.

SBU: IP has imported coil stop solution and developed an automatic, remotely controlled coil lifter. The system is stabilized. It has eliminated manual handling of heavy coils and increasing the speed of operation. It has led to increase in efficient inventory management and cost reduction. It has dramatically improved safety in the coil handling operation.

SBU: G&L's R&D efforts were directed towards development of high performance greases for Overhead Aluminum Electrical Conductors, Fire Resistant Greases for Steel Mill applications, Long Life High Temperature Wheel Bearing Grease for Auto-OEMs, Long Drain Energy Efficient Hydraulic oils for Earth Moving Equipment (OEM), High Performance Chain Compound for OEMs, Long Life Multipurpose Greases for Automotive Sector and high performance Diesel Engine Oils with Cummins Registration. SBU is in the process of implementing Distributor Management System which will help the Automotive Channel business in monitoring and driving sales effectively and getting more (POS) information. SBU is also planning to implement Field Force Monitoring system during 2018-19.

SBU: LC is engaged with various reputed technical institutes to study the application of latest technology in development of sustainable products for the leather industry. Apart from strengthening its range

of syntans and fatliquors, the Product Development Center is working closely with the marketing function in developing, a range of finishing and beam-house chemicals. It has recently developed a hyper-branched polymer which is used as a chrome fixing agent in beam-house operation in tanneries. A new fatliquor based on sulphonation of renewable resource was launched by the SBU.

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

Company leverages latest manufacturing technology in increasing throughput and minimizing conversion cost and through its strong R&D infrastructure develops new and sustainable product offerings at competitive price to improve its position in the market place, thereby enhancing both top and bottom-line.

(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 and: NA

(iv) The expenditure incurred on Research and Development

	2017-18	2016-17
	(Rs./Lakh)	(Rs./Lakh)
a) Capital -	106.79	30.41
b) Revenue-	628.87	529.29
c) Total -	735.66	559.70

(C) Foreign exchange earnings and Outgo –

	2017-18	2016-17
	(Rs./Lakh)	(Rs./Lakh)
i) Total Foreign Exchange Earnings	10,082.88	9,612.78
ii) Total Foreign Exchange Outgo -	17,228.57	17,345.10

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

	(Rs. in Lakh)	
Details	2017-18	2016-17
Value of material available for procurement from MSEs	11045.00	11801.45
Actual procurement	5843.00	5719.87

In 2017-18, the Company organized four Vendor Development Programs. In total 145 MSE vendors got benefitted through purchase from MSEs. The Company, on a regular basis, is conducting various meetings / workshops to increase the participation of MSEs including SC/ST MSEs in the procurement system. Assistance is also sought from MSME Development Institutes to enhance the participation of MSEs.

EXTRACT OF ANNUAL RETURN

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

NUMBER OF MEETINGS OF THE BOARD

The Board met eight (8) times during the financial year 2017-18, the details of same are given in the Corporate Governance Report attached as “**Annexure 4**”. The intervening gap between any two Board meetings was within the period prescribed under the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have 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, 2018 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 this 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, 2018 on a going concern basis; and
- (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 Act and the Listing Regulations.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS (RPT)

Majority of the Related Party Transactions of the Company were made with its Holding Company, Subsidiary Companies, Associate Companies and Joint Venture Companies. It may be pertinent to mention that Related Party Transactions made with Holding Company and Wholly Owned Subsidiary Company (whose accounts are consolidated with such wholly owned subsidiary) and transactions between two Government Companies are exempted under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, omnibus approval was taken for entering 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 Promoters, Directors, Key Managerial Personnel or other designated persons which have a potential conflict with the interest of the Company at large.

The Company has a RPT Policy and the same has been uploaded on the website of the Company on the following link:

http://www.balmerlawrie.com/app/webroot/uploads/Related_Party_Transactions_Policy-BL.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 2017-18 has been enumerated in Note no. 40.19 of 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, Capital Resources of 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 NO AOC 2					
(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014					
Form for disclosure of particulars of contracts/ arrangements entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto					
1	Details of contracts or arrangements or transactions not at arm’s length basis				
	NIL				
2	Details of material contracts or arrangements or transactions at arm’s length basis				
	Nature of contracts or arrangements	Name of Related Party	Nature of relationship	Duration of Contract	Value Rs. in Lakh
NIL as per the Company’s policy on material Related Party Transaction					

ENTERPRISE RISK MANAGEMENT POLICY

The Company has instituted a Risk Management Policy which has been updated during the year as a part of well laid down risk assessment and management process. The Risk Management structure headed by Chief Risk Officer, reviews the various risks associated with the business of the Company. The Company has constituted a Risk Management Committee comprising of whole time and Independent Directors for overseeing the risk management activities. Regular Risk Management Report is being put up to the Audit Committee and the Board.

The said policy is posted on the Company’s website at: http://www.balmerlawrie.com/app/webroot/uploads/Risk_Management_Policy_BL.pdf

DEPOSITS

Your Company has not accepted any deposit from the public during the financial year 2017-18 and therefore no disclosure is required in relation to details relating to deposits covered under Chapter V of the Companies Act, 2013.

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

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

As required under the Companies Act, 2013,

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

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

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

During the year 2017-18, Internal Financial Controls (IFC) was reviewed by an external consultant Haribhakti and Co., LLP, which reported as follows:

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

VIGILANCE

Your Company believes in transparency and mainly focuses on to equity and fair play with an aim to have an ethical business environment. Accordingly, ample of preventive vigilance measures have been undertaken through regular system studies prevailing in the company, through surveillance inspections across all locations, thereby recommending suggestive measures for implementation. In an era of activism of all sorts, it is good to remain vigilant and act in a transparent manner. Sometimes people commit unintentional mistakes and keep repenting it later on. The knowledge of administrative guidelines/systems and procedures is critical for an officer to discharge his duties and exercise control over his domain in

a meaningful manner. It is not only important to be impartial but we should also appear to be impartial in order to win the confidence of our stakeholders.

We have an online complaint handling system and several improvements in system and procedures have been implemented. Central Vigilance Commission have given various directives in the matter of leveraging technology through introduction of initiatives like – e-procurement, e-disposals and on-line posting of job applications for transparency have been implemented. Your Company has also invested for implementing information technology solutions. Recently the SAP system introduced by your Company leads to more transparency and gives a wide access to the employees across PAN India.

Since the date of taking over charge as Chief Vigilance Officer, Dr. Akhilesh Kumar Ambasht, IFS, has brought in lot of system improvements, with suggestive measures in the recommendations for benefit of the Company. The basic endeavor of Vigilance Department is to ensure that the management obtains the maximum out of its various transactions with stakeholders.

Likewise, every year, Vigilance Department organized various programmes during the Vigilance Awareness Week like- Quiz/Slogan/Essay/Debate competitions in various schools/colleges which were also covered on TV by DD Bangla/ETV/Kolkata Doordarshan, Anti-corruption Badges were distributed, Posters/Banners were displayed in various important places, Vendors Meet was held apart from Individual Integrity Pledge which was taken by the employees and their families.

Vigilance, as you are aware, is an important managerial function of the Company. It keeps an eye over the functioning of the employees and their conduct, and provides guidance when something is going wrong. Since there is limited number of Vigilance Officers in the Department, it is considered that all the executives and employees of the company to be vigilance officers. We must adopt vigilance as a way of life. Under the guidance of our CMD, Shri Prabal Basu, vigilance department has been making efforts to spread awareness and information about different aspects of vigilance administration and good corporate governance.

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, 2018 and vigilance cases pending as on 31st March, 2018 is mentioned herein below.

a. Vigilance Cases disposed -off during the year ended 31st March, 2018

Sl. No.	Nature of Case	Case Date	Date of Disposal	Remarks
1	A party by mistake sent the duplicate consignment of same material to India and Consignee was informed to clear the material by BL.	21.04.2017	Closed on 25.05.2017	There was no vigilance angle involved in this case.
2.	Duplication of Oil in Company Brand	29.05.2017	Closed on 02.06.2017	There was no vigilance angle involved and the complaint was pseudonymous complaint.
3.	Gross Irregularities/Violation in Recruitment in PSU	20.06.2017	Closed on 12.03.2018	There was no vigilance angle involved and the Ministry has also advised to close this file.
4.	Seeking Justice regarding forced Resignation of an Employee	30.06.2017	Closed on 22.08.2017	The employee at the time of joining has given false certificates. Subsequently the company found it to be fake and hence the employee was asked to resign, rather than taking stern action against the employee. The Company has not taken any unauthorised steps and hence CVO approved closure of this file.
5.	Application against advertisement couldn't be registered by the applicant for applying a job in BL	12.12.2017	Closed on 15.01.2018	No vigilance angle involved. It was an administrative issue, where the applicant was not being able to submit his fees as the system was not generating the challan". But this was happening to many candidates and the Company extended the date for submission of fees by putting a notice in the website as well as informed all the candidates who could submit their application but was unable to get the challan.
6.	Issuance of Certificate of Non-availability of Air India Seats	26.12.2017	Closed on 16.02.2018	MOPNG sought clarifications from CVO, which were clarified and discussed in the meeting with MOPNG & CVO. MOPNG closed the file advising system improvement and its implementation.

b. Vigilance Cases pending as on 31st March, 2018

Sl. No.	Nature of Case	Case Date	Date of Disposal / Remarks
1.	Financial Irregularity at Travel Kolkata	17.03.2016	Case is pending with CBI.
2.	Violation & Vitiating of NIT Terms & PQ against Tender	05.07.2017	Domestic Enquiry is in process.
3.	Complaint related to Business of Global Distribution System	14.09.2017	Investigation is going on.
4.	Superseding the condition of a Tender	28.12.2017	Investigation is going on.
5.	Various complaints lodged by an employee of the Organisation	15.01.2018	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 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 2017-18 and can be downloaded from the following hyperlink of the Company's website: http://www.balmerlawrie.com/app/webroot/uploads/Whistle_Blower_Policy.pdf.

REPORT ON CORPORATE GOVERNANCE

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

Pursuant to the said SEBI Regulations and DPE

Guidelines, a separate section titled 'Corporate Governance Report' is being furnished and marked as "Annexure 4".

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

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

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

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

BOARD EVALUATION AND CRITERIA FOR EVALUATION

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as on 31st March 2018 consisted of six (6) Directors out of which four (4) were Functional/Executive/Whole-time Directors, one (1) Non-executive Government Nominee Director and one (1) was Independent Director. Thereafter, in April 2018, an Independent Director was appointed on the Board of the Company which was followed by appointment of a whole-time director in May 2018. Taking into account, the above, as on the date of this Report, the Board consists of eight (8) Directors out of which:

- five (5) are Functional / Executive / Whole-time Directors;
- two (2) are Independent Directors out of which one (1) is a Women Director and
- one (1) Non-executive Government Nominee Director.

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. Your Company continues to pursue with the Administrative Ministry for expediting appointment of Independent Directors on the Board of your Company to bring the Board composition in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable Guidelines on Corporate Governance for CPSEs.

APPOINTMENTS:

In the ensuing AGM, it is proposed to consider re-appointment of Shri D Sothi Selvam (DIN 07038156) and Shri Shyam Sundar Khuntia (DIN 07475677), who retire by rotation and being eligible offer themselves for reappointment.

During the year following Directors were appointed by the Shareholders at the 100th AGM:

1. Ms. Indrani Kaushal, Government Nominee Director
2. Ms. Atreyee Borooah Thekedath, Independent Director

Further, Shri Vijay Sharma, Government Nominee Director was appointed by the Board of Director as Additional Director.

Shri Sunil Sachdeva and Shri Ratna Sekhar Adika have been appointed as Additional Directors by the Board in the initial months of F.Y. 18-19.

It is also proposed to appoint Shri Vijay Sharma (DIN 08045837) as the Government Nominee Director, Shri Sunil Sachdeva (DIN 00754633) as an Independent Director and Shri Ratna Sekhar Adika (DIN 08053637) as Director (Human Resource and Corporate Affairs) of the Company at the ensuing AGM – in furtherance of the nominations received from the administrative ministry and their candidatures proposed by the shareholders of the Company. The details of the directors seeking appointment and reappointment are given in the explanatory statement attached to the notice of the 101st AGM.

CESSATIONS – ON ACCOUNT OF WITHDRAWAL OF NOMINATION OR RETIREMENT

- Ms. Indrani Kaushal, Government Nominee Director ceased to be a Director of the Company effective at the close of the business hours on 26th December, 2017 consequent upon withdrawal of her nomination by the MoPNG.
- Ms. Manjusha Bhatnagar, Director (Human Resource & Corporate Affairs) ceased to be Director of the Company with effect from 1st February, 2018 as she attained superannuation.

The Board places on record its deep appreciation of the guidance and significant contribution made by Ms. Indrani Kaushal and Ms. Manjusha Bhatnagar during their tenure as Directors of your Company.

AUDIT COMMITTEE

Your Company has a qualified and independent Audit Committee, the composition of which and other details

are mentioned in the Corporate Governance Report 2017-18.

The Audit Committee, as on 31st March, 2018, consisted of five members out of which three were Whole-time Directors, one Government Nominee Director and one Independent Director. The Independent Director is Chairperson of the Committee which consist of the following:

- i. Ms. Atreyee Borooh Thekedath, Independent Director-Chairperson
- ii. Shri D. Sothi Selvam, Director (Manufacturing Businesses)-Member
- iii. Shri Kalyan Swaminathan, Director (Service Businesses)-Member
- iv. Shri Shyam Sundar Khuntia, Director (Finance) and CFO-Member
- v. Shri Vijay Sharma, Government Nominee Director-Member

All the members of the Audit Committee are financially literate and some members possess accounting/financial management expertise also. The Company Secretary acts as the Secretary to this Committee. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

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 Dutta Sarkar & Co., Chartered Accountants, having its office at 7A, Kiron Sankar Roy Road, 2nd Floor, Kolkata-700001 as Statutory Auditors of the Company for the Financial Year 2018-19 for both Standalone as well as the Consolidated Financial Statements of the Company.

Pursuant to Section 142 and other applicable provisions of the Companies Act, 2013, the remuneration of the Auditors for the year 2018-19 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.

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 2018. On the basis of the audit, CAG states that nothing significant has come to its knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report. Comments of the Comptroller & Auditor General of India as per the Companies Act, 2013, are attached with the Financial Statement.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 the Board of Directors on the recommendation of the Audit Committee appointed M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants, as the Cost Auditor of your Company for the year under review relating to goods manufactured by Strategic Business Units : Industrial Packaging, Leather Chemicals and Greases & Lubricants 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 2018-19 is being sought at the ensuing Annual General Meeting.

COST AUDITOR'S REPORT

Cost Audit Reports for all the applicable products for the year ended 31st March, 2017 were filed on 5th September, 2017 with Cost Audit Cell of Ministry of Corporate Affairs department within specified due dates.

SECRETARIAL AUDITOR

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. N K & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report in Form MR-3 for the Financial Year ended 31st March, 2018 is annexed herewith and marked as “Annexure 6”.

SECRETARIAL AUDITORS' REPORT

Qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditor in their Report and corresponding Management Response :

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

Sl. No.	Observation / Comment/ Qualification of the Secretarial Auditors	Clarification from the Management
1	In certain cases, the Company has not complied Regulation 23(2) of SEBI LODR, 2015 which requires the Company to obtain prior approval of Audit Committee for all Related Party Transactions. In certain cases, delayed ratification of Related Party Transactions by the Board has led to deviation from requirements of Section 188(3) read with Section 188(1) of the Act;	<p>The management endeavours to adhere to the requirement of seeking prior approval of the Audit Committee/Board before entering into the Related Party transactions. However, in few cases where the transactions are basically running contracts carried out in usual course of business and are of repetitive nature the renewal of the ongoing contract had fallen due at such time when the Audit Committee meeting was not scheduled and the ongoing business activity could not be stalled in midway. Hence, in such cases prior approval of the Audit Committee/ Board could not be obtained but the ratification for the same was duly obtained subsequently.</p> <p>The Board and Audit Committee had ratified the transaction thereby signifying that it did not want it to exercise the option of rendering it void. Accordingly, there was no violation of Section 188(3) of the Companies Act, 2013.</p>
2	The composition of the Board and its Committees are not in accordance with the requirements of the Act and SEBI LODR, 2015 because required number of Independent Directors have not been nominated by the Administrative Ministry, Ministry of Petroleum and Natural Gas. This improper composition of the Board and its Committees has also led to deviation with other allied requirements such as Quorum for Committee Meetings, Separate Meeting of Independent Directors etc.	<p>We are a Government Company as it is evident from our shareholding pattern.</p> <p>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.</p> <p>The Company has intimated the need for appointment of Independent Directors to the administrative ministry.</p>

ACKNOWLEDGEMENT

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

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

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

On behalf of the Board of Directors

Prabal Basu
Chairman & Managing Director

D. Sothi Selvam
Director (Manufacturing Businesses)

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

Date: 7th July, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of the Board's Report for 2017-18)

This report is an endeavor of the Board of Directors to provide to the Shareholders of the Company an overview of each of environs in which different Strategic Business Units [SBUs] of the Company are performing, and to analyze the underlying factors, which have acted upon or impacted the performance of the Company during the financial year 2017-18 and the future outlook of the Company.

In the past year, the country witnessed some major reforms:

- The launch of Goods and Service Tax (GST) in July 2017
- The advent of the new Indian Bankruptcy Code, which provided a resolution framework for clean-up of the stressed corporate balance sheets
- The announcement of a large capitalization package to strengthen the balance sheets of the public sector banks

The constant increasing trend of quarterly GDP numbers in the four quarters of 2017-18 at 5.6%, 6.3%, 7% and 7.7% respectively indicates that the structural reform measures undertaken by the Government now seem to be fructifying.

Several industry specific reform initiatives taken by the Government since 2014 have significantly improved the overall business environment in the country. The reform process has been comprehensive in terms of the scope covering the Central and the State Governments. As a result, India has leapt 30 ranks over its previous rank of 130 in the World Bank's latest 'Doing Business Report 2018'. Moody's Investors Service has also raised India's rating from the lowest investment grade of Baa3 to Baa2. This has been possible due to a host of measures undertaken by the Government. Other measures to facilitate ease of doing business include initiation and simplification of online application for Industrial License and Industrial Entrepreneur Memorandum, and integration of twenty services with the eBiz portal, which functions as a single window portal for obtaining clearances from various Government agencies, limiting the number of documents required for export and import to three by DGFT.

As in the previous years, the service sector has

consistently been the dominant contributor to the overall growth of the economy. In 2017-18, the service sector grew by 8.3%, as compared to 7.7% in 2016-17. The Government has taken many initiatives in the different areas giving a further fillip to the service sector, including digitization, e-visas, infrastructure status to Logistics, Startup India, schemes for the housing sector etc. The prospects look bright with good performance of sub sectors like Tourism, Aviation and Telecom.

India is the 3rd largest and the fastest growing domestic aviation market in the world in terms of number of domestic tickets sold. Government is taking initiatives like liberalization of air services, airport development and regional connectivity through UDAN scheme. Outbound tourism has also picked up in recent years. Domestic tourist visits also grew. Various initiatives have been taken by the Government to promote tourism.

Air Cargo Logistics plays a vital role in the economic development of a nation. Recent initiatives taken for enhancing the Logistics sector including transportation, inventory management, warehousing, materials handling & packaging, and integration of information, have helped in management of flow of goods between the point of origin and the point of consumption. However, the Logistics sector in India remains unorganized to a large extent.

The Sagarmala programme, which aims to promote port-led development along the Indian Coastline by harnessing its resources and create large number of potentially navigable waterways, is expected to reduce logistics cost for international and domestic trade.

The "Startup India, Standup India" initiative aims to create an ecosystem that is conducive to the growth of Startups. In order to provide support to Startups, your company has decided to invest ₹ 2.70 crore through the Balmer Lawrie Startup Fund initiative.

Taking cognizance of the role of cleanliness in healthy living, and to accelerate its efforts to achieve universal sanitation coverage, the Government launched the Swachh Bharat Mission in October, 2014. During the year ended 31st March, 2018, the Company has spent ₹ 125.14 lakh towards the Swachh Bharat Mission.

The investor's outlook for the economy is its growth

potential, which is reflected by the substantial increase in foreign portfolio investments during 2017-18. The next financial year suggests positive growth, as the significant reform measures initiated by the Government is expected to show positive effect on the economy.

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

1. INDUSTRIAL PACKAGING

Industry Structure and Developments

The Indian Packaging industry is estimated at Rs. 220,000 crore, which can be broadly segmented into Industrial and Consumer Packaging consisting of Rigid and Flexible sub-segments. Rigid Industrial Packaging can be further segmented based on size, type, material etc. The 210L Mild Steel (MS) Drum industry, a part of the Rigid Industrial Packaging segment, has over 70 players across India. The industry has higher capacity compared to the market demand leading to intense competition in the market place.

Balmer Lawrie & Co. Ltd. is the market leader in this industry with a market share of more than 34%. The SBU operates through six manufacturing plants on pan India basis, which include the state-of-the-art facility at Navi Mumbai. A new manufacturing facility is being set up at Vadodara which is expected to be commissioned shortly.

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

Balmer Lawrie's Industrial Packaging is acclaimed for its superior product quality, high reliability in supplies, modern manufacturing systems and processes and customer focused experienced personnel. It enjoys high brand value, large, diverse and growing customer base and pan-India presence. Its focus on continuous improvement, Quality Assurance, innovation and sharp focus on Sustainability and HSE helps it to have an edge over competition.

During the year 2017-18, the Taloja plant was rated for Gold Category under National Award for Manufacturing Competitiveness. The SBU has also received awards

on Sustainability from leading MNC customers and has received the highest rating from 'Together for Sustainability' as part of the Sustainability Audit for its plants at Taloja, Silvassa and Asaoti.

With the Indian economy in the growth trajectory, the demand for MS drums is expected to continue registering growth in the coming years.

Opportunities & Threats

Opportunities

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

Threats

- Substitute products and alternate packaging (IBCs, RIBCs, HDPE and Reconditioned drums)
- Competition from smaller players having locational advantage

Segment-wise or product-wise performance

The Industrial Packaging SBU has shown consistent growth in volume, turnover, profitability and profits. Despite the shrinking of almost 15% of the addressable market due to MSME / Government regulations, the SBU has managed to increase its volumes over the last few years.

Lubricants, Chemicals and Fruit Pulp are the major segments contributing to approx. 80% of SBU sales, and the commissioning of the Vadodara plant is expected to provide a significant edge to the SBU for further growth.

Outlook

The MS drum market is expected to grow at a rate of approx. 5% with a higher contribution from the Western Region. The SBU is well placed to take advantage of this growth with its already existing plants at Navi Mumbai and Silvassa and the upcoming plant at Vadodara. 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 its exports.

Risks and concerns

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

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

Internal control systems and their adequacy

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

Discussion on financial performance with respect to operational performance

During the year, the SBU maintained its profitability inspite of increase in steel prices. The SBU achieved higher sales revenue and volumes and improved its overall efficiency through Operational Excellence across various manufacturing units.

Material developments in Human Resources / Industrial Relations:

The SBU continues to enjoy cordial relationship with employees at all its units.

2. GREASES & LUBRICANTS

Industry Structure and Developments

With an estimated finished lubricant market of 1750 million litres, India is the third largest lubricant market after USA and China. Valued at USD 5 billion the lube market in India is expected to grow at a CAGR of 2-4% over the next five years, with the Automotive segment accounting for 60-65% and the Industrial segment accounting for 35 to 40% of the market. 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, etc.

Opportunities & Threats

Opportunities

- Fast growing market
- With small market share, there is an excellent opportunity to grow
- Pan India operation with three manufacturing plants in Kolkata, Silvassa and Chennai
- Positive brand image in greases and specialties due to long presence in the domain

- Industry recognition in core sectors like Railways, Defense, Steel and Mining
- Excellent state-of-the-art R&D facility

Threats

- Supply security of base oils
- Aggressive pricing by competitors
- Higher marketing spends by competitors

Segment-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 has registered a marginal drop in sales volume in this segment. The negative growth is the result of the SBU's shift in focus to non-tender businesses with better margins from volume-driving tender businesses. The SBU will continue focusing on:

- Profitable and sustainable business
- Greater focus on non-tender business
- Shifting from conventional products to value added products for better margins in Steel, Mining, Infrastructure, Fleet and Auto OEM Segment
- Business development and adding new customers
- Increased level of engagement with customers and end-users

c) Channel Sales (Automotive and Industrial)

Due to increased thrust in this segment, the SBU achieved an excellent growth of more than 25% in sales volume during 2017-18.

The SBU will continue focusing on:

- Increasing distribution network in various states
- Launch of long life greases targeted to get higher volumes.
- Increase visibility – Retail display of new packaging at the dealer outlets
- Extensive mechanic contact programs

Outlook

- Increase in retail volume – focus in DEO & MCO segments 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 BTL) and customer engagement programs
- Increase non-tender private business
- Retain our leadership in the grease segment

Risks & Concerns:

- Dependency on tender business
- Inadequate distribution network
- Poor brand visibility
- Supply security of base oils
- Lack of global OEM approvals

Internal Control Systems and 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.

Further all the units of the SBU are certified for quality system management and periodic/ recertification audits were conducted at all the units for IMS 2015 (ISO 9001-2015, ISO 14001:2015 and OHSAS 18001: 2007).

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 been able to maintain its overall performance in terms of production and sales during the current year as compared to last year. There has been marginal improvement in the bottom-line performance of the SBU.

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

challenge of margins in the coming financial year.

Material developments in Human Resources/ Industrial Relations:

The SBU continues to enjoy cordial relationship with employees at all units.

3. LEATHER CHEMICALS

Industry Structure and Developments

The Indian leather & leather product industry occupies a place of significance in the Indian economy by virtue of not only being a prominent exporter but also employing a sizeable workforce especially from the economically weaker section of the society, of which, the women employment is around 30%. According to Council for Leather Exports (CLE), the size of the Indian leather, footwear and accessories industry is about USD 18 billion (2016-17) consisting of USD 5.65 billion of exports and USD 12 billion domestic turnover employing around 4.42 million people.

The leather chemicals industry predominantly caters to the Indian leather tanning industry, which processes around 3 billion sq. ft. of leather, both for exports as well as for domestic consumption. The two major categories of leather chemicals are basic and specialty chemicals. The price of specialty chemicals is significantly higher than that of basic chemicals and is dominated by MNC players such as Lanxess, Stahl, TFL etc. besides reputed Indian players such as Balmer Lawrie, Haryana Leather Chemicals etc. Specialty leather chemicals are grouped under three categories such as Beam-house, Wet-end and Finishing. Most of the reputed MNCs offer products catering to all the three categories thereby offering total solution to the leather tanning industry. While technical services and marketing support are rendered directly by the leather chemical companies, the products are made available to the customers through a network of distributors and dealers. Technical Services, focused on developing leathers for the fashion houses is of paramount importance as it is the source of business generation for the leather chemical companies.

The industry, over the past several years, has seen consolidation through mergers and acquisitions of both multinational and domestic companies to reduce cost, increase competitiveness, and reduce redundancy and to enter growing markets.

Opportunities & Threats

Opportunities in the leather chemicals industry is directly related to the growth of the leather industry. Government of India has identified the leather, footwear and accessories industry as a focused sector under the 'Make in India' initiative. To enhance

the employment generation in this industry, various financial packages and incentive schemes are being offered by the Government for technology up-gradation and for increasing the export earnings from this sector.

Artificial leather as an alternate to natural leather poses a challenge for the growth of leather and its associated industry. The processing of leather demands high usage of water, which if discharged untreated, can lead to serious environmental hazards. The issue of pollution has resulted in closure of tanneries, leading to unfulfilled export commitments with buyers looking for alternate countries for uninterrupted supply.

Segment-wise or product-wise performance

Overall, the SBU delivered growth in volume and revenue. Both fatliquor and syntan segments witnessed healthy growth. The SBU maintained profitability inspite of the adverse impact of escalating raw material prices.

Outlook

US and Europe accounts for a major share of India's leather export and with the recovery of the US economy and strengthening of the European economy over the last year, the overall outlook of the leather industry is encouraging. The SBU has launched a series of new fatliquors and syntans which have received good response from the market. A range of finishing chemicals is under development and would be launched after extensive testing and in-house trials. New distributors have been appointed in domestic and overseas markets. The SBU is optimistic about the business scenario and with concerted market development activity, is hopeful of better performance in the coming years.

Risks and concerns

The SBU anticipates risks arising from imposition of stricter compliance / regulatory standards by leather importing countries, adherence to which may have a gestation period, leading to temporary loss of business. The frequent environmental issues faced by the leather industry may also create certain disruptions in routine business.

Internal control systems and their adequacy

The ERP package of SAP in use in the SBU, enables greater internal control on systems on day to day transactions. The manufacturing unit at Manali, Chennai is certified for Integrated Management System comprising of ISO 9001 : 2015, ISO 14001 : 2015 and OHSAS 18001 : 2007.

The SBU follows an Operational Excellence framework which helps in identifying issues / areas of concern and

ensure closure of such subjects through adherence to systems and processes. The SBU is a registered member of the Leather Working Group (LWG), UK .

Discussion on financial performance with respect to operational performance

The SBU achieved higher revenues and remained profitable inspite of the escalating raw material prices through cost reduction, efficiency improvement in planning, manufacturing, sales & marketing, technical services and product development by adhering to a robust Operational Excellence framework.

Material developments in Human Resources/ Industrial Relations:

The SBU continues to upgrade the skills of employees through necessary training and development programs. The SBU maintained cordial industrial relations with the collectives.

4. LOGISTICS

Logistics Infrastructure (LI)

Industry Structure & Development

Logistics is regarded as the backbone of the economy, providing efficient and cost effective flow of goods on which other commercial sectors depend. The logistics industry in India is evolving rapidly. It is the interplay of infrastructure, technology and new types of service providers, which defines whether the logistics industry is able to help its customers reduce their costs. 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 (Cold Chains).

CFSs are an extended arm of the port set up primarily with a view to decongest ports. During 2017-18, container handling at the top 12 ports in India grew by 4.56% which is lower than the last year's growth of 5.15%. The total container throughput in India during 2017-18 was around 11 million TEUs while it was 10.5 million TEUs in 2016-17. 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 54% of the total container traffic handled in Indian ports. Although, the import volume in the three ports of JNPT, Kolkata and Chennai improved by 2.3%, the volumes moved to CFS from Port in these three cities went down by 4% during 2017-18 as compared to the earlier year. The main reason for the negative growth was the implementation of Direct Port Delivery (DPD) at Nhava Sheva and Chennai locations. The industry witnessed the implementation of technology driven

policies to clear the containers or cargo at a fast clip as part of “ease of doing business” for the importers and exporters. Initiatives such as advance filing of IGM and implementation of DPD especially at Nhava Sheva from the fourth quarter of FY 2016-17 and the measures taken to streamline its effective implementation during FY 2017-18 resulted in reduction in volume available for CFS. Despite the weak economic sentiments, with rise of e-commerce Logistics and increased domestic consumption, the Logistics Infrastructure industry is expected to grow in coming years.

The warehousing industry in India is worth INR 560 billion and is growing at a rate of 10-12% every year. The growth in the Indian warehouse industry is led by various factors, prominent amongst them are the implementation of Goods and Service Tax (GST), growth of e-commerce, growing domestic consumption, favourable increase in international trade and growth in private and foreign investments in infrastructure. GST is helping companies reduce logistics cost substantially and drive value creation in supply chain. 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 facility for the medical equipment manufacturing units being set up at Andhra Pradesh MedTech Zone Ltd. (AMTZ) on Build, Operate, Manage and Maintain (BOMM) basis.

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 approx. 8-10% of the cold chain market. 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%.

Opportunities & Threats

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries which offers a glimmer of hope to this industry. The traffic at non-major ports has been increasing significantly year on year. With the implementation of GST and the increase in volume of containers getting cleared through DPD, the handling of LCL consolidators' cargo and venturing into warehousing and its affiliated activities can be seen as opportunities in the long term.

Due to implementation of DPD, our Mumbai CFS's volume got affected severely from the fourth quarter of FY 2016-17. On an average around 35% of the total

volume is getting cleared through DPD, which is huge, considering the size of the market at Nhava Sheva. For FY 2018-19, it is learnt that the target for DPD is 70% of the total inbound volume at Nhava Sheva.

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.

On the positive side, however, several growth drivers are expected to spur growth of industrial warehouses. Support from the Government in addressing long pending issues will quicken the growth momentum. There are growth opportunities in the cold chain sector which is primarily seen in the area of organized retail comprising Quick Service Restaurant and Modern Retail. Changing consumer trends for convenience and processed foods are also giving opportunities to the cold chain industry.

Segment wise or product wise performance

The Logistics Infrastructure and Logistics Services verticals continue to drive the bottom-line of the Company. During the year, the CFS business could not grow in volume, revenues and earnings as compared to the previous year primarily due to the Government promoting the Direct Port Delivery system without the involvement of CFSs. The competitive scenario prevailing in the industry also resulted in lower margins on the volumes handled. The Company was however, able to retain its present set of customers. The warehousing activity continues to perform well during the year due to better utilisation of space.

Future Outlook

Considering the potential in cold chain logistics, the Company ventured into setting up Temperature Controlled Warehouses (TCW). The second TCW at Rai, Haryana commenced operation in October 2017 after the first one at Hyderabad was commissioned in March 2016. The third one at Patalganga near Taloja is expected to be ready for commercial operation by end of 2018. The Company is also exploring the possibility of setting up of a cold storage in the Eastern part of India. Through these facilities, the Company will not only be providing reliable temperature controlled solutions but also act as a differentiator in the TCW domain.

Balmer Lawrie is coming up with its MMLH (Multi-Modal Logistics Hub) project at Vizag in partnership with M/s Visakhapatnam Port Trust (VPT). In this Multi-Modal Logistics Hub, facilities are created for handling Exim and domestic cargo. The commercial operation is expected to start by end of 2018.

The Company is also managing the Integrated Check

Post (ICP) operations at Jogbani in Bihar bordering Nepal. The ICP at Raxaul is operational from March 2018 which is also managed by Balmer Lawrie.

Risks & Concerns

Direct Port Delivery is the major concern at this point of time for this vertical. Merger of shipping lines is being witnessed in the industry. This may lead to hardening of freight and may push customers to go for reduction in other logistics services costs. Modernisation and expansion of ports may allow more containers to be handled at the port itself reducing the scope of business for CFSs. The dwell time of the containers at the CFS have been falling drastically over the years due to the implementation of technology driven policies by the Government to get the clearance of the containers with minimum documentation work. Opportunities for earnings are going down year after year and per TEU profitability is continuously under pressure. However, the Government has taken a step of not issuing fresh licenses for setting up CFSs at major ports such as JNPT, Chennai, Vizag and Mundra. Expansion of the existing CFSs continues to be difficult as acquiring contiguous land with clear title in proximity is a time consuming and long drawn process.

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 CFSs were down by 14% compared to the previous fiscal. However export has grown by 21%. The effect of handling lower import volumes was seen in the financial results of the vertical with the turnover dropping by 5% and the profits by 14% over last year levels.

Material development in Human Resources/ Industrial Relations

Industrial relations in all the units of CFS and WD remained cordial right through the year.

Logistics Services (LS)

Industry Structure and Developments

The Indian logistics market is expected to grow at a CAGR of around 12% driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors. With the stabilization of GST and withdrawal of GST on export freight, export volume is expected to grow. The international 'freight forwarding' market for India is expected to grow at a CAGR of 9% till 2020.

The Indian logistics services industry is witnessing cut throat competition threatening the very existence of the freight forwarding industry. With the entry of global giants and large Indian corporate houses into this industry, competition has further heated up. .

Opportunities and Threats

Air freight services continues to be a dominant activity for the SBU and accounts for more than 64% of the SBU's overall top-line. Besides air import and air export freight services, air chartering activity has contributed 7% to the overall top-line. The SBU has made significant progress in Ocean Freight activities.

The 'Make in India' initiative will give a push to the EXIM movement – both air and ocean. Capital equipment and project cargo are expected to be imported while semi-finished goods and components will be exported.

To take advantage of the likely increase in business, plans are afoot in your Company to strengthen the sales & marketing set up through lateral recruitment of experienced logistics professionals. The central pricing desk created a couple of years ago is being ramped up to get the best rates from the service providers in order to remain competitive in the market. The SBU is also focusing on business from the private sector to improve its top-line. Further, commodity wise market focus is being devised to tap specific markets. All these are likely to help in your Company growing in this sector in the short to medium term.

This industry is facing the threat of new entrants because of low entry and exit barriers both from supplier and customer side, making it extremely competitive. Value creation through service innovation is the only way forward. Consolidation by means of mergers and acquisition will continue with few prominent players controlling significant percentage of the business in the near future.

Segment wise or Product wise Performance

Though there is an increase of approx. 15% in the number of jobs handled pan India during the financial year, the SBU suffered a de-growth of 9% in the top-line, which is primarily on account of revenue per job coming down drastically due to stiff competition in the

air and ocean freight segments. As a consequence, the bottom-line of the SBU also got affected marginally compared to the previous year. The SBU was able to increase its business from the private sector by 3% on year-on-year basis, with the major increase coming from ocean export freight from Chennai, Mumbai and Kolkata branches.

The Project Logistics team was able to bag prestigious orders and executed them very efficiently earning accolades from the customers.

The SBU during the year continued to upgrade its existing operations software package, the benefits of which are likely to be experienced in the coming years.

Outlook

Threats open doors for opportunities. The organization is flexible enough to react to the changes and thus, has formed a robust sales & marketing team to draw a roadmap to generate untapped business from PSE / Govt sectors, aggressively grow in the private sector segment and work towards bringing in operational efficiencies and customer delight by leveraging technology. The very fact that the single largest service provider does not control 10% of the market share leaves us with enough opportunities to grow. Close integration between LI and LS offers a comprehensive and competitive single window package to customers.

Risks and Concerns

The gradual shift to ocean movement from air calls for exploring strategic carrier contracting to keep competition away for our base cargo load. Creation of CPD for relevant purchase is a step towards that direction. Appropriate presence on specific trade lanes and agreement with different Shipping Lines will help creating value for our customers and keep competition away.

Significant increase in CIF nomination for Imports and FOB in terms of Exports pose a big threat for regionalized service providers like us as the assessable market share would drop as against MNCs because of their worldwide presence.

The freight rate volatility because of trade imbalance and crude oil prices exposes us to considerable risk to hold on to our margins from fixed term contracts.

Albeit the concerns, the SBU is taking adequate steps to mitigate the challenges through the well-established and growing global associate network and offer its clients single window logistics solutions. The SBU continues its efforts to offer best in class services to its customers by leveraging technology.

Internal Control Systems and their Adequacy

The SBU has in place an effective internal control

mechanism and during the year under review, 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 2017-18.

Discussion of Financial performance with respect to Operational Performance

There is an increase of around 15% growth YOY on number of jobs pan India. The SBU suffered a de-growth of 9% in top-line which is primarily on account of per job revenue coming down drastically as well sluggish economic condition coupled with severe price competition particularly in air and ocean freight activities. Though we were able to increase the contribution by reducing the operational cost, the bottom-line of the SBU got affected adversely primarily due to lack of large voluminous movements. However, the SBU was able to increase its share in the private market segment by 3% on YOY basis, with a major increase in Ocean Export TEU/FEU/Tonnage with multiple commodities from mainly Chennai, Mumbai and Kolkata.

Material Developments in Human Resources/ Industrial Relations

Employee relations continued to be cordial at all units of Logistics Services despite many branches working with skeletal manpower.

5. TRAVEL & VACATIONS

Ticketing

Industry Structure & Development

Your company is one of the largest TMC (Travel Management Company) catering to corporate travel and business travel of various Central Ministries, Banks and PSUs. It has presence in almost 88 locations across the country. India is now the 3rd largest aviation market in 'domestic air passenger traffic'. India is also expected to be ranked as one of the top 5 in the business travel market globally by 2030.

Though there is a constant decrease in IATA commission being paid by all leading domestic and international airlines to the booking agents, this business vertical has shown remarkable progress in turnover and profit in 2017-18.

Opportunities & Threats

There is a tremendous growth potential in the industry with many domestic airlines eyeing opportunities in the international sectors. The aviation sector has continued to grow with the domestic traffic registering

a growth of 17.3% (as per DGCA) and international traffic by 7.5%.

The ATF (Aviation Turbine Fuel) prices spiraled upwards which affected the operating margins in the sector. But despite the cost pressure, the aviation sector is poised for growth due to the 'UDAN' scheme (which aims at connecting smaller cities), increase in 'disposable income' of the middle class and augmentation of capacity by airlines.

This vertical is pushing for growth by offering SBT (Self Booking Tool) facility to PSUs. This facility helps in seamless booking and cancellation of tickets, payment and its appropriation against specific invoices.

Your Company is continuously trying to add value to the customers by offering best in class services to remain the preferred travel agency. Delay in settlement of bills by the Government sector continues to be a major area of concern. Further there is a threat of losing business to consolidators, who are able to offer large discounts to corporate customers on the back of a better Productivity Linked Bonus that they are able to negotiate with the airlines. The only way to combat this is constant increase in volume and value of the turnover for this vertical. Your Company is conscious of this fact and is working on different strategies to increase the turnover of this business.

Segment wise and Productwise performance

Despite all odds the SBU has registered an increase of 22% in net sales and over 100% in profits. The growth in turnover brings better PLB. There was an increase in earnings from Air India and Jet Airways during the year.

Risk and Concerns

Travellers tend to compare fares from OTA and airlines websites. The private agents and consolidators are getting aggressive in tenders, offering large discounts to the corporates. Many customers offer 'NIL' service charges and there is a delay in payment resulting in virtually no margins from a portion of the business.

Most of the air travelers are internet savvy and hence, turn away from the brick and mortar set up like that of our Company. Further the share of tickets sold through OTAs is on the increase year after year which reduces the 'space' available for an organization like Balmer Lawrie. There is always a push for 'cost reduction' in Government departments and business class travel is discouraged. Easy availability of technology for conducting meetings through VC, Skype etc. tend to reduce the 'volume available' for a travel agent like Balmer Lawrie.

To obviate the issues faced due to reduced 'business travel', your Company also wants to increase its

presence in the B2C segment. Efforts are on to popularize the Balmer Lawrie travel portal (www.balmerlawrietravel.com) to increase sales.

Internal Control System and their adequacy

The SBU is looking at digitalization of the processes including digital maintenance of records, bill details/ collection details from clients as well as auto invoicing of tickets. Cash collection is discouraged across branches. A need has been felt to ramp up the software support to the business. Actions have been initiated to improve the checks and balances including submission of bills on time, effective follow up and adjustment of payment against the appropriate invoices.

Material Development in Human Resources/ industrial Relations

At the entry level, there is a tendency to hop jobs even for a small increase in salary. This results in high attrition levels which sometimes leads to 'deterioration in quality of service delivery'. Efforts are made to keep the staff motivated to make a career in Balmer Lawrie. It is acknowledged that across the SBU, industrial relations remained cordial throughout the year.

Vacations

Industry Structure & development

As one of the world's largest economic sectors, Travel & Tourism creates jobs, drives exports and generates prosperity across the world.

The travel and tourism industry in India is poised to grow at a CAGR of approx. 8% to reach INR 845k crore by 2030.

Overall, the MICE market in India is expected to reach INR 66k crore by 2030. The domestic MICE market in India is big and expected to grow at the rate of 15%. Similarly, the outbound MICE market in India is moderately attractive and expected to grow at 11%. All forms of travel- outbound, inbound and domestic are expected to grow manifold.

India's projected 7-9% GDP growth will help improve per capita income and disposable income making urban middle class reach the 450 million mark and HNIs will grow from the present 0.2 million to 1.2 million by 2030. Indians travelling domestically will dominate the INR 720k crore market for India inbound and domestic travel in 2030.

The travel and tourism industry is highly fragmented comprising of reputed large MNCs, small and medium size domestic/regional companies as well as small local franchisee outlets. Organized large players primarily go for innovative marketing campaigns and attractive pricing strategy, while small and medium size local/regional companies play by providing highly

customized personal level services and by keeping their overheads low.

Your Vacations vertical has researched and accordingly planned strategic actions for leveraging upon the growing market demand and favorable Government initiatives. The products are designed in line with the current market trends and priced competitively. Manpower is trained to provide wide spectrum of end to end niche services to its retail and corporate customers.

Opportunities and Threats

2017 was another record breaking year for the global tourism industry. Increase in disposable income has energized the sector. The Vacations vertical continues to make efforts towards capturing the growing consumer demand and increased corporate requirements. Vacations Exotica is amongst the leading holiday brands in the country and enjoys high level of customer satisfaction, which not only ensures retention of the existing customers for repeat purchase but also helps the brand grow by positive word of mouth. Opportunities in this business lie in quickly introducing new and innovative products in line with the rapidly changing consumer preferences and leisure market trends and focusing on high growth MICE business especially from Pharma, Cement, BFSI, FMCG, Telecom and IT industries. Sheer size of the market and growth potential in domestic travel market offer tremendous opportunities for growth.

The SBU is presently undergoing a technology up-gradation to further increase its efficiency. This up-gradation will aid us in further streamlining our services and provide better interface with our valued customers and associates.

Discretionary nature of leisure travel, terrorism activities around the globe, unfavorable & volatile currency, under cutting of prices by large players by way of huge discounting and aggressive marketing by not only online travel companies but also by big MNCs may pose significant challenges for the business in the short, medium and long term.

Segment-wise or product-wise performance

In the last one year, the Vacations vertical has strengthened its position by taking multiple steps like introducing new products, strengthening its marketing effort, streamlining the supply side and also the sales offices which in totality resulted in acquiring many retail customers and Government business. It is expected that this vertical will play a significant role in the SBU's growth as an end to end travel solutions provider in the coming years.

Outlook

The Vacations vertical is laying thrust on the retail sector through strategic focus and expansion of its 3 level distribution channels namely Franchisee, Preferred Partner Agents and Travel Agents. The vertical is also working towards further strengthening its MICE capabilities for both domestic and outbound to drive revenue growth. 'Vacations Exotica' is being repositioned with a new theme and tag line of 'Collect Stories' and the website is being revamped to give the brand a much younger and new age look to target wider customer segments. Rigorous efforts are being made to drive sales growth by planning and executing innovative marketing campaign, attractive merchandising, aggressive pricing, participating in various events and exhibitions, introducing newer products in line with market trends, revitalizing sales effort etc. Your Vacations vertical is also building a strong supplier base for driving cost effectiveness and is all geared up to meet your expectations in coming years.

Risks and Concerns

The Vacations vertical being predominantly an offline, brick and mortar travel and holiday business has the following concerns:

- Travel and holiday customers are increasingly becoming more and more internet savvy and also have access to all the required information on real time basis. Online portals therefore may pose risk for offline players in medium to long term and will continue to put pressure on margins
- Highly fragmented market and stiff competition is eroding margins
- Low brand equity as compared to dominant players in retail business due to reduced sales promotion spends
- With aggressive market expansion and growth, acquiring and retaining quality manpower at a reasonable remuneration is becoming increasingly difficult

However, this vertical is fully conscious of the risks and concerns of the industry and has a clear strategy to take appropriate actions to move forward and remain as one of the top travel and holiday player in the country.

Internal control systems and their adequacy

Your Company during the year worked on developing the technology for its entire Travel & Vacations business unit. The software for increasing the efficiency of the entire vertical is under development

and the benefits are likely to accrue in the coming years. The vertical also is pursuing the digitization initiative of the company.

The Vacations vertical has in place an effective internal control mechanism and during the year under review, a good number of internal audits were carried out in all branches and the findings were found to be satisfactory. Random test of internal financial control on areas involving billing to customer etc. were carried out by Statutory Auditor in compliance with new requirements under the Companies Act, 2013 and results indicate conformity with the control system.

Discussion on financial performance with respect to operational performance

The Vacations vertical during the just ended financial year reported lower turnover due to reduction in NRI business, lower GIT and FIT. However, there is buoyancy in bookings for the FY 2018-19. This is owing to high market demand for your products which are developed through market research and competitive benchmarking on product and price trends. New products and newer destinations are also added to the offerings which are in high demand and which will help in financial growth of the vertical.

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

The Vacations vertical like many in the industry faces employee attrition. This is being tackled by providing the employees the right work ambience. Further through continuous and conscious efforts, the employees are motivated by bringing in a sense of involvement and achievement in everything that is being done in the vertical. The Vacations vertical believes in giving more exposure to its employees to learn, which will help them in having a meaningful career progression in the Company. Industrial relations remained cordial throughout the year.

6. REFINERY & OIL FIELD SERVICES [SBU:ROFS]

Industry Structure and Developments

The SBU: Refinery and Oil Field Services (ROFS) is engaged in oil sludge processing for refineries and oil exploration companies, not only recovering useful hydrocarbon through such process but at the same time reducing the risk of environmental hazard from untreated sludge. This novel process of hydrocarbon recovery from oil sludge has gathered momentum due to the high crude oil prices across the globe. The SBU is the pioneer in mechanized in-situ sludge processing and maintains leadership position in India with nearly 70% market share.

Opportunities and Threats

By virtue of being a pioneer, possessing state of the art technology and rich experience in executing projects within stipulated timelines, the SBU has developed a loyal list of satisfied clientele, which drives the business of the SBU. The SBU has an exclusive license agreement with its technology partner based in Europe who have developed the patented BLABO process, which still enjoys the technical superiority over other processes.

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

Segment-wise or product-wise performance

Targeted turnover and profit was achieved by the SBU in 2017-18.

Future Outlook

Stricter norms put in place by the pollution control boards, greater awareness and concern for the environment and the need for sustainable and responsible business will drive the future demand for treatment of hazardous oil sludge in refining and oil exploration companies. Coupled with this, the periodic maintenance work being taken up by the refineries as per OISD rules will also generate continuous demand for this business.

Risk and Concerns

The major risk foreseen by the SBU is the emergence of newer technologies, which would reduce generation of oil sludge in the storage tanks in the refineries, thereby limiting the need for sludge processing in the long run.

Multinational companies through their associates in India are exploring opportunities in this sector and the SBU is considering necessary technology upgradation, in not only maintaining its market leadership but also its superiority in terms of technology.

Internal Control System and their adequacy

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

The SBU upgraded its ISO certification from 2008 to 2015 version during the financial year 2017-18. The new certificate has been issued by DNV and is valid till March 2020.

Discussion on Financial performance with respect to operational performance

The SBU was able to achieve the targeted turnover and profit during the financial year 2017-18. The operational efficiency was maintained at the highest level with much higher throughput and capacity utilization compared to industry standards.

Material developments in Human Resources/ Industrial Relations

The industrial relation was cordial and there were no industrial disputes during the year under report.

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

[Forming part of the Board's Report for the year 2017-18]

Introduction

The Securities and Exchange Board of India (SEBI) in 2012 mandated the top 100, and later in 2015 the top 500 listed entities on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) to prepare a 'Business Responsibility Report' (BRR) as part of the annual report. This is as per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations of SEBI. The report summarizes an organization's performance across environmental, social and governance aspects. With growing awareness of the impact of an organisation's activities on environment and society, monitoring of non-financial performance has turned into a non-negotiable attribute for ensuring business sustainability. Balmer Lawrie, featuring amongst the top 500 listed entities has developed this business responsibility report based on the framework suggested by SEBI.

At Balmer Lawrie, environmental, social and economic performance has always featured as a top priority. The Company is convinced that it can only achieve long-term commercial success if it meaningfully contributes to overcoming global challenges in the field of environment, health, safety, governance and community development. The Health, Safety, Environment (HSE) and Sustainability postulates guidelines for overall well-being of its employees, communities and other stakeholders. The Company endeavors to continuously improve on its non-financial performance through regular monitoring and disclosure practices.

Section A : General Information about the Company

1. Corporate Identity Number (CIN) of the Company:L15492WB1924GOI004835
2. Name of the Company:Balmer Lawrie & Co. Ltd.
3. Registered address:Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road, Kolkata – 700 001
4. Website:http://www.balmerlawrie.com/
5. E-mail id:adika.rs@balmerlawrie.com
6. Financial Year reported: 2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise):
 - Industrial Packaging
 - Greases & Lubricants
 - Travel & Vacations
 - Logistics
 - Leather Chemicals
 - Refinery & Oil Field Services
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)
 - I. Greases & Lubricating Oils.
 - II. Industrial Packaging (Steel Drums)
 - III. Logistics Infrastructure & Services
 - IV. Travel & Vacations
9. Total number of locations where business activity is undertaken by the Company

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

10. Markets served by the Company:

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

Section B : Financial Details of the Company

1. Paid up Capital (INR): Rs. 1,140,025,640
2. Total Turnover (INR): Rs. 18,301,529,094
3. Total profit after taxes (INR): Rs. 1,848,150,612
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

The total spending on CSR is 2.37% of profit after tax

5. List of activities in which expenditure in 4 above has been incurred

Following is the list of activities in which the CSR expenditure has been incurred:

- a) Health and Nutrition
- b) Primary Education
- c) Skill Development and Sustainable Livelihood
- d) Holistic development of underprivileged communities
- e) Swachh Bharat Abhiyan

Section C: Other Details

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

Yes, Balmer Lawrie has two subsidiaries namely:

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

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

- a. Balmer Lawrie (UAE) LLC (BLUAE)
- b. AVI-OIL India Private Limited (AVI-OIL)
- c. Balmer Lawrie - Van Leer Ltd. (BLVL)
- d. Transafe Services Limited (TSL)

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 operations while VPLPL is in Commissioning stage. However, VPLPL during the construction stage itself has mandated its suppliers and vendors to follow Balmer Lawrie's policy on no child labour or forced labour, no 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 undertakes various BR initiatives and includes a criteria on abstinence from child labour, forced labour, no drug and alcohol policy, health & safety compliance, no discrimination etc. at vendor selection stage. Contractors appointed by the Company are mandated to adhere to these policies. More than 60% of such entities participate in the BR activities undertaken by the Company. Moreover, Balmer Lawrie looks forward to including all its entities across the value chain to further its business responsibility cause.

Section D: BR Information

A. Details of Director/Directors responsible for BR

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

Principle No.	Policy/Policies	Director (s)
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 Business) Director (Service Business) Director (HR & Corporate Affairs)
Principle 3 (P3)	<ul style="list-style-type: none"> Prevention of Sexual harassment Policy Recruitment rules for officers and supervisors 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"> Sexual harassment Policy Recruitment rules for officers and supervisors 	<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 Business) Director (Service Business) Director (HR & Corporate Affairs)
Principle 7 (P7)	<ul style="list-style-type: none"> Code of Conduct Core Values 	All Directors
Principle 8 (P8)	<ul style="list-style-type: none"> CSR & Sustainability Policy 	Director (HR & Corporate Affairs)
Principle 9 (P9)	<ul style="list-style-type: none"> HSE & Sustainability Policy 	<ul style="list-style-type: none"> Director (Manufacturing Business) Director (Service Business) Director (HR & Corporate Affairs)

b) Director responsible for implementation of BR as a whole

Sr. No	Particulars	Details
1.	DIN Number	08053637
2.	Name	Ratna Sekhar Adika
3.	Designation	Director (HR & CA)
4.	Telephone number	033-22225400
5.	e-mail id	adika.rs@balmerlawrie.com

B. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles (detailed below) as P1-P9 to be followed:

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

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

Sr. No.	Particulars	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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

6.	Indicate the link for the policy to be viewed online?	http://www.balmerlawrie.com/static/codes_8_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 to Sr.no 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Particulars	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)									

C. Governance related to BR

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

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

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

The Company has started publishing Business Responsibility Report and Sustainability report from FY 2016-17 onwards. These reports will be published on annual basis and can be accessed through the following links:

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

BR: <http://www.balmerlawrie.com/pages/annualreport>

Section E : Principle-wise performance

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

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

The Code of Conduct has been articulated by Balmer Lawrie (BL) with an objective of conducting business in an ethical and transparent manner and is applicable to the members of the Board as well as the senior management of the Company. The Code lays down the foundation for upholding of personal and professional integrity, equity and justice, abstinence from conflict of interest and compliance with laws among other good corporate governance practices.

The Whistle Blower Policy provides a framework to provide responsible and secure whistle blowing. It protects individuals wishing to raise a concern about any serious irregularities within the Company. This policy is applicable to employees including managerial, executive, supervisory and unionised employees. It also covers other category of employees (e.g. outsourced, contractual, temporary, trainees, retainers etc.) during their tenure of association with BL.

A Fraud Prevention Policy has been instituted for detection, reporting and prevention of fraud, whether committed or suspected. This policy covers various stakeholders such as vendors, suppliers, contractors, service providers, consultants or any other external agency with which BL engages in any manner.

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

During FY 2017-18, total 12 complaints were received from stakeholders, out of which 8 complaints i.e 66.67% were resolved by the management.

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

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

A. Conventional lubricants are petroleum oil based and are non-biodegradable. In events of environmental accidents such as leaks in soil and water bodies, these oils increase the pollution load thereby endangering the natural ecosystem. It is assumed that about 50% of lubricants sold worldwide end up polluting the environment through loss during application, spillage, evaporation and other losses. Disposal of lubricants also poses a problem at the end of their life-cycle.

These threats can be addressed if lubricants are formulated with ingredients that are eco-friendly and biodegradable. The trend of utilizing biodegradable products for specific application such as total loss systems or where the lubricants can directly or indirectly contaminate soil or water during disposal is gradually gaining pace in India. In line with this agenda, Balmer Lawrie appreciates the far reaching positive effects of bio degradable lubricants and endeavors to minimize its contribution to pollution load. To address some of these issues SBU: Greases & Lubricants has developed and commercialized some unique vegetable-source based biodegradable esters to formulate lubricants for some important segments as below:

- a. Polyol based esters of specific chain length fatty acids with excellent thermo-oxidation stability for high temperature applications in steel and heavy industries.
- b. Polyol and poly basic acid esters for infrastructure industries and green machinery lubricants for jute industries.
- c. Specific chain length esters for mineral oil free green jute batching oil.

B. Under the Leather Chemical Division (LCD), during Fatliquor production BL has achieved reduction in SO₂ consumption by process modification wherein reactors are now placed in series to ensure maximum utilization of input chemicals. This has resulted in reduction of caustic lye consumption during neutralization process as well.

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

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

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

In its endeavor to contribute positively to environmental welfare, Balmer Lawrie has developed products that reduce its dependence on non-renewable resources while also abating pollution. These attempts have led to the following:

A. Use of ester based product has significantly helped in reducing the consumption of non-renewable mineral oil and significantly contributed to preservation of environment. Renewable content is more than 80% in all the ester based products mentioned in Q.1.

B. Process modification during Fatliquor production has resulted in reduction of SO₂ consumption by 10MT and caustic lye consumption by 1 MT in the FY 2017-18.

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

Sustainable sourcing is warranted at Balmer Lawrie through streamlined vendor registrations and vendor management system. The e-procurement and e-payment systems ensure quality and transparency in procurement and adequate emphasis is placed on Health, Safety, Environment (HSE) and sustainable business practices.

The Ministry of MSMEs "Public Procurement Policy" for micro and small enterprise mandates PSUs to procure a minimum of 20% of its requisites from MSMEs. In adherence to this policy, Balmer Lawrie promotes and procures majority of its products and services from MSMEs by providing preferential access through EMD waivers.

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?

With a view to strengthen local procurement and create a positive impact across the value chain, Balmer Lawrie has undertaken several initiatives. Majority of its manpower and service related contracts including transportation are conferred to vendors that employs individuals from local communities.

Also contract for materials (e.g. consumables and stationary) and services including maintenance, labour supply contract etc. are issued to vendors or suppliers that operate within a periphery of 50 Km in the plant's vicinity. Balmer Lawrie also conducts various capacity building and skill building training programmes for its local vendor base.

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

Balmer Lawrie guarantees effective management of waste through responsible waste collection, storage and disposal mechanisms. Around 80% of the waste generated are recycled through recyclers or scrap dealers; whereas contaminated packaging materials, plastic waste, scrap iron and pellets are sold to the recycler for recycling. Hazardous waste such as ETP sludge, empty Lithium and caustic bags, oil soaked cotton jute, used filter elements are sold to the authorised hazardous waste handler.

Principle 3 : Businesses should promote the wellbeing of all employees



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

Balmer Lawrie has 6 trade unions, 1 non-unionised supervisors association and 1 executive association which allows the employees to express their opinions through their representatives.

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

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

3. 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.

Balmer Lawrie strives to provide its employees with a safe working environment that supports well-being and over-all growth.

The policy on "Recruitment rules for officers and non-unionized supervisory staff" provides an over-arching framework to ensure complete transparency, uniformity and fairness in the process of recruitment.

The "Conduct Discipline & Review Rules for Executives & Officers" emphasizes on the mechanism for redressing complaints pertaining to sexual harassment. The Company has constituted Internal Complaints Committee in four regions of the country under the Sexual Harrassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 ("The Act").

The Company policy does not permit employment of any person below the age of 18, directly or through contractor, in any of its businesses. To ensure this, the age of all candidates for employment is verified at the time of recruitment. Moreover, BL does not procure /products or services from agencies that use child labour.

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

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

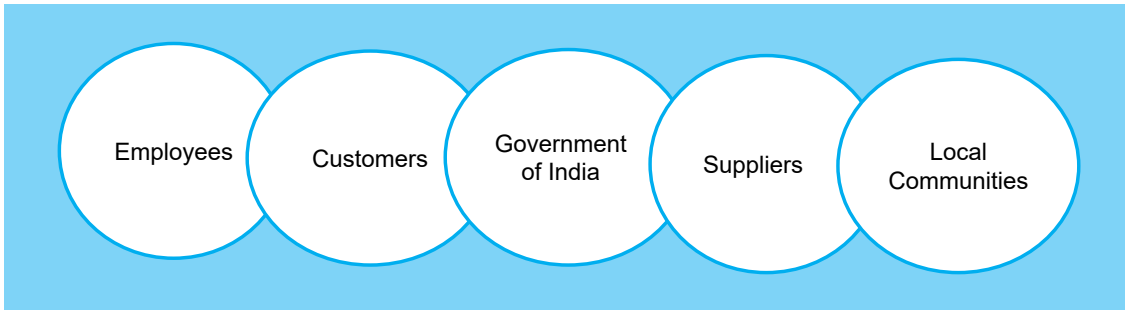
Employees are a principal asset to Balmer Lawrie's journey on the path of sustainability. It invests in several initiatives to foster an environment that supports growth.

Category	Skill Up-gradation Training	Safety Training
Permanent Employees	77.6%	18.75%
Permanent Women Employees	48.86%	0.56%
Casual/Temporary/Contractual Employees	50.9%	43.3%

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

1. Has the company mapped its internal and external stakeholders?

As a part of its journey towards developing the sustainability report, Balmer Lawrie has conducted a Stakeholder Engagement exercise through which it has identified the following key internal and external stakeholders :



2. Has the company identified the disadvantaged, vulnerable, and marginalized stakeholders?

Balmer Lawrie’s CSR and sustainability policy guides on upliftment of communities, particularly vulnerable groups such as women, children, physically challenged persons and elderly.

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

The Company provides the differently abled personnel working within the organisation with barrier free, accessible work stations and other infrastructural modifications (such as audio system inside elevators, ramps, and hand rails at staircases) across various locations to enable an inclusive working environment for all.

Balmer Lawrie has also sponsored for the education of 30 children at the Indian Institute of Celebral Palsy. The Company looks forward to a meaningful engagement with its stakeholders to ensure shared value creation. This is done through provision of development assistance to local communities around its operational sites and the habitats that are directly or indirectly affected by the Balmer Lawrie’s activities. Balmer Lawrie also provides a 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?

Balmer Lawrie remains committed to uphold the human rights of its employees and strives to further the cause of human rights in all aspects of its business. It ensures that neither the Company nor any of its business partners indulge in any human rights violation or are complicit in any human rights abuse in any manner.

Balmer Lawrie recognizes and respects the dignity of labour and strives to ensure that there is total freedom of association and no discrimination whatsoever in matters of employment. The company provides safe and healthy working conditions, pays competitive wages much above the minimum levels and at times best in the industry/region that it operates in, and provides the best of health care and other welfare facilities to its employees. In all matters pertaining to labour, it follows conventions adopted by the International Labour Organisation. Further, it abides by all regulatory provisions governing the employment in the organisation and strives to enhance the quality of work-life of its employees.

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

No stakeholder complaints were received during the FY 2017-18 concerning to violation of human rights.

Principle 6 : Businesses 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?

Sustainable development features amongst the top business priorities for Balmer Lawrie and it is committed to the goal of achieving a balance between social, environmental and economic performance. It strives to develop a leadership dedicated to adhering to the best standards of environmental management systems. The HSE and Sustainability policy provides an overarching framework for

- Adherence to environmental standards
- Improvement of energy efficiency
- Reduction of air emissions
- Collaborating with stakeholders for mitigation of environmental impacts

In accordance to Balmer Lawrie's HSE and Sustainability policy, its Joint ventures have also developed their own HSE policy. Balmer Lawrie is committed towards the environment and ensures that its contractors and suppliers abide by its HSE policy.

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

Balmer Lawrie is aware of the growing concerns of climate change and global environmental issues. These issues not only affect the community in general but are also critical to the Company's long-term growth and sustainability. To address these issues, the Company has undertaken the following initiatives:

- Development of bio-degradable and environment friendly lubricants
- Implementation of rain water harvesting at the Leather Chemical Division (LCD) in Manali
- Replacement of roof top asbestos sheets with environment friendly pre-coated GI sheets at the Silvassa plant of Industrial Packaging and CFS Chennai Division
- Reduction in water consumption by recycling of process condensate water in the process at LCD division

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

3. Does the company identify and assess potential environmental risks?

All of Balmer Lawrie's plants and major establishments are certified in Environment Management Systems - ISO 14001. The certification process involves an aspect-impact assessment including the identification of potential environmental risks. After these risks are identified, the organisation develops action plans to mitigate the same.

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

Although Balmer Lawrie undertakes various initiatives to offset the GHG emissions resulting from its operations, it does not have any project related to Clean Development Mechanism.

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

Balmer Lawrie places great emphasis on protection of the environment and following are the initiatives undertaken for energy conservation:

- Replacement of 250 W Mercury lamps with 72 LED lamps for reducing energy consumption at Industrial Packaging unit at Asaoti
- Installation of 460 kWp solar power plants at manufacturing sites at Asaoti, Navi-Mumbai and Chennai
- Installation of 100kWp rooftop solar power plant at the Industrial Packaging unit at Asaoti.

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

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Balmer Lawrie is proactive in its efforts to minimise the waste generated from its facilities. In case of hazardous waste, all legal compliances are adhered to avoid any environmental accidents. The emissions/waste generated by the Company for Financial Year 2017-18 are within permissible limits prescribed by CPCB/SPCB(s).

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

There is no pending show cause or legal notice received from CPCB or SPCB as on 31st March 2018.

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

Balmer Lawrie acknowledges its responsibility towards public and regulatory policy making and contributes positively as a part of the following associations:

1. Confederation of Indian Industry
2. The Bengal Chamber of Commerce and Industry
3. Standing Conference of Public Enterprises
4. Founder member of United Nation Global Compact
5. 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)

As a member of these associations, Balmer Lawrie contributes to the discussions that influence the field of “Sustainable Business Practices”. The Company in association with CII, advocates to improve health and safety standards in MSMEs and also drives the cause of road safety in metro cities.

Principle 8 : Businesses should support inclusive growth and equitable development

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

Balmer Lawrie is dedicated to making value-creating contributions to the development of the society at large. The Company undertakes initiatives that focus on upliftment of the marginalized and disadvantaged sections of the society. It also encourages employees to play an active role in CSR activities driven by the organisation.

The various CSR initiatives implemented by the company over the last few decades are aligned with the overall objective of driving sustainable development and growth for its stakeholders. Balmer Lawrie’s CSR initiatives are driven by two Flagship Programs - Balmer Lawrie Initiative for Self Sustenance [BLISS] and Samaj Mein Balmer Lawrie [SAMBAL]. Following are the focus areas in which the Company undertakes its CSR initiatives:



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

The implementation and effectiveness monitoring of the CSR activities is overseen by the CSR Committee. The Company undertakes its CSR initiatives in partnership with the following organisations:

- Indian Institute of Cerebral palsy (IICP)
- SOS Children’s Village of India
- Ekal Vidyalayas, One Teacher Schools (OTS) by Friends of Tribal society
- Pragati Sangha of Dara in West Bengal
- Rotary Club of Panvel
- SDI- Bhubaneswar, Vishakhapatnam, Rae Bareilly, Kochi, Guwahati and Ahmedabad
- Helpage India
- SV Patel Rashtriya Ekta Trust

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

The Company engages Tata Institute of Social Science, Mumbai for evaluation of its CSR projects to understand impact on the beneficiaries. As per the evaluation, the CSR interventions are having positive impact on the beneficiaries.

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

A total sum of Rs. 438.34 Lakhs was spent during the year 2017-18, towards various CSR activities undertaken in line with the key focus areas. Following is the breakup of the expenditures:

Project Description	Focus Area covered	Expenditure (Rs in Lakhs)	Implementation Agency
Sponsoring of two classes of Indian Institute of Cerebral Palsy (IICP) for the children suffering from Cerebral Palsy	Education	18.50	Indian Institute of Cerebral palsy (IICP)
Sponsoring of two family homes at SOS Children’s Village of India	Education	19.20	SOS Children’s Village of India
Ekal Vidyalayas, One Teacher Schools (OTS) for providing education to the doorsteps of the tribal populace	Education	10.00	Ekal Vidyalayas, One Teacher Schools (OTS) by Friends of Tribal society
Maintenance cost for School Toilets constructed under "Swachh Vidyalayas"	Swachh Bharat Abhiyan	19.93	Pragati Sangha of Dara in West Bengal / Directly by Company
Swachh Bharat Abhiyan	Swachh Bharat Abhiyan	85.21	Pragati Sangha of Dara / Chennai Municipal Corporation / Nirmaan Foundation / Balmer Lawrie
Water Tank at Sayali village	Swachh Bharat Abhiyan	20.00	Rotary Club of Panvel
Skill Development Institutes	Skill Development	150.00	SDI-Bhubaneswar, Vishakapatnam, Rae Bareilly and Guwahati
Mobile Health Van for Old Age	Health	28.50	Helpage India

Support for Construction of Statue of Unity	Donation to Trust	62.00	SV Patel Rashtriya Ekta Trust
Administrative Expenditure		21.00	Balmer Lawrie
Miscellaneous Expenditure		4.00	
Total CSR expenditure		438.34	

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

Balmer Lawrie understands that need identification and streamlined implementation of initiatives is vital to ensure effectiveness of the CSR agenda defined by the Company. The projects are undertaken on the basis of the needs of the particular community or area and are implemented in partnership with the local authority or a competent NGO. The programmes are planned in discussion with the local communities which ensures their active participation. This imparts a sense of responsibility amongst the community members further culminating into successful adoption of the initiatives implemented. Moreover, Balmer Lawrie continuously engages with the local community in order to bring in behavioral changes required for sustenance of the projects.

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

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

Following are the complaints received and resolved across strategic business units for FY 2017-18

SBU	Complaints received	Complaints resolved
Industrial Packaging	243	154
Greases & Lubricants	11	11
Travel Business	384	384
Leather Chemical Division	17	17

Apart from Industrial packaging business unit, there are no pending consumer complaints as on 31st March 2018.

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)

The Company displays product information on the product label as per local laws.

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

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

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

Balmer Lawrie considers customers to be an important stakeholder influencing the performance of its operations. To assess their satisfaction levels, Industrial Packaging (IP) and Leather Chemical Division (LCD) of BL had conducted customer satisfaction survey for its customers across India through online and offline mode.

For IP business, the survey parameters included Product, Service/delivery, Price, Relationship and Competition. There were total 115 respondents and majority of the respondents considered BL as reliable & high quality provider and also appreciated BL's promptness in response.

For LCD business, the survey was conducted in offline mode and focused on parameters e.g product quality, consistency, packaging condition & information, delivery commitment, complaint resolution and quality of technical services. Total seven customers provided their feedback and all of them rated BL between Good to Excellent on every parameter.

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

FORM NO. MGT-9

[Forming part of the Board's Report for the year 2017-18]

**EXTRACT OF ANNUAL RETURN
as of the financial year ended on 31st March 2018**

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15492WB1924GOI004835
ii)	Registration Date	18-02-1924
iii)	Name of the Company	Balmer Lawrie & Co. Limited
iv)	Category / Sub-Category of the Company	Union Government Company
v)	Address of the Registered office and contact details	21, Netaji Subhas Road, Kolkata-700001, WB Phone-(033)2222 5313/5329 E-mail: bhavsar.k@balmerlawrie.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Apeejay House, Block "B", 3rd Floor, 15, Park Street, Kolkata 700 016 Tel: 033 6628 5900 Email : einward.ris@karvy.com www.karvycomputershare.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	32.95 %
2	Greases & Lubricating Oils	19201	22.87 %
3	Logistics Infrastructure & Services	51201/52243/52109	29.63 %

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)

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

i) Category-wise Share Holding:

Balmer Lawrie & Company Limited										
Sr No	Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year - 2018				% 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	0.0000	0	0	0	0.0000	0.0000
(b)	Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Any Other (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-total (A)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Foreign									
(a)	Non-Resident Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Other Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000

Balmer Lawrie & Company Limited										
Sr No	Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year - 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Banks / Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total shareholding of Promoter (A)=(A)(1)+(A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	1511412	4548	1515960	1.3298	7500	3898	11398	0.0100	-1.3198
(b)	Financial Institutions / Banks	39315	29816	69131	0.0606	85946	28556	114502	0.1004	0.0398
(c)	Central Government / State Government(s)	8268	52392	60660	0.0532	68582	52392	120974	0.1061	0.0529
(d)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Insurance Companies	8680943	200	8681143	7.6149	8681093	50	8681143	7.6149	0.0000
(f)	Foreign Portfolio Investor	4122225	0	4122225	3.6159	2810627	0	2810627	2.4654	-1.1505
(g)	Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Any Other (Specify)	0	0	0	0	0	0	0	0.0000	0
	Sub-total (B)(1)	14362163	86956	14449119	12.6744	11653748	84896	11738644	10.2968	-2.3776
[2]	Non-Institutions									
(a)	Bodies Corporate	74153304	55259	74208563	65.0938	74172320	55064	74227384	65.1103	0.0165
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	13579401	1474927	15054337	13.2053	15090293	1363253	16453546	14.4326	1.2273
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6683803	467124	7150927	6.2726	7396545	410998	7807543	6.8486	0.5760
(c)	Any Other (Specify)									
	Trusts	101902	0	101902	0.0894	101044	0	101044	0.0886	-0.0008
	Hindu Undivided Family	1147434	0	1147434	1.0065	1366573	0	1366573	1.1987	0.1922
	Non Resident Indians (Non Repat)	563204	0	563204	0.4940	978807	0	978807	0.8586	0.3646
	Non Resident Indians (Repat)	1092784	88	1092872	0.9586	1053342	88	1053430	0.9240	-0.0346
	Clearing Member	234206	0	234206	0.2054	275593	0	275593	0.2417	0.0363
	Sub Total (B)(2)	97556038	1997398	99553445	87.3256	100434517	1829403	102263920	89.7032	2.3776
	Total Public Shareholding(B)=(B)(1)+(B)(2)	111918201	2084354	114002564	100	112088265	1914299	114002564	100.0000	0.0000

Balmer Lawrie & Company Limited										
Sr No	Category of Shareholders	No. of Shares held at the beginning of the year - 2017				No. of Shares held at the end of the year - 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C)	Shares held by custodian for GDRs and ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Grand Total (A+B+C)	111918201	2084354	114002564	100	112088265	1914299	114002564	100.0000	0.0000

ii) **Shareholding of Promoters :**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2017			Shareholding at the end of the year i.e. 31st March, 2018			% 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) :**

Sr. No.		Shareholding at the beginning of the year i.e. 1st April, 2017		Cumulative Shareholding during the year, i.e. 31st March, 2018	
		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):

Balmer Lawrie & Company Limited **ISIN : INE164A01016**

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
1.	BALMER LAWRIE INVESTMENTS LIMITED	70452900	61.7994			70452900	61.7994
	AT THE END OF THE YEAR					70452900	61.7994
2.	GENERAL INSURANCE CORPORATION OF INDIA	2892568	2.5373			2892568	2.5373
	Transfer			22 Sep 2017	150	2892718	2.5374
	AT THE END OF THE YEAR					2892718	2.5374
3.	THE NEW INDIA ASSURANCE COMPANY LIMITED	2865335	2.5134			2865335	2.5134
	AT THE END OF THE YEAR					2865335	2.5134
4.	NATIONAL INSURANCE COMPANY LTD	1508032	1.3228			1508032	1.3228
	AT THE END OF THE YEAR					1508032	1.3228
5.	INDIAN SYNTANS INVESTMENTS (P) LTD	1424720	1.2497			1424720	1.2497
	AT THE END OF THE YEAR					1424720	1.2497
6.	LIFE INSURANCE CORPORATION OF INDIA	1415008	1.2412			1415008	1.2412
	AT THE END OF THE YEAR					1415008	1.2412
7.	ISHWAR GREWAL	130916	0.1148			130916	0.1148
	Transfer			21 Jul 2017	10269	141185	0.1238
	Transfer			28 Jul 2017	275705	416890	0.3657
	Transfer			04 Aug 2017	257592	674482	0.5916
	Transfer			11 Aug 2017	156395	830877	0.7288
	AT THE END OF THE YEAR					830877	0.7288
8.	DIMENSIONAL EMERGING MARKETS VALUE FUND	907440	0.7960			907440	0.7960
	Transfer			16 Jun 2017	(4421)	903019	0.7921
	Transfer			30 Jun 2017	(15037)	887982	0.7789

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
	Transfer			18 Aug 2017	(5478)	882504	0.7741
	Transfer			25 Aug 2017	(4374)	878130	0.7703
	Transfer			01 Sep 2017	(17016)	861114	0.7553
	Transfer			08 Sep 2017	(14571)	846543	0.7426
	Transfer			15 Sep 2017	(3408)	843135	0.7396
	Transfer			03 Nov 2017	(11326)	831809	0.7296
	Transfer			10 Nov 2017	(9299)	822510	0.7215
	Transfer			17 Nov 2017	(20369)	802141	0.7036
	Transfer			24 Nov 2017	(15792)	786349	0.6898
	Transfer			01 Dec 2017	(18911)	767438	0.6732
	Transfer			09 Feb 2018	(18438)	749000	0.6570
	Transfer			16 Feb 2018	(7775)	741225	0.6502
	Transfer			02 Mar 2018	(7344)	733881	0.6437
	Transfer			09 Mar 2018	(3630)	730251	0.6406
	Transfer			16 Mar 2018	(11664)	718587	0.6303
	Transfer			31 Mar 2018	(3737)	714850	0.6270
	AT THE END OF THE YEAR					714850	0.6270
9.	NIHAR NILEKANI	256756	0.2252			256756	0.2252
	Transfer			15 Sep 2017	115423	372179	0.3265
	Transfer			22 Sep 2017	121715	493894	0.4332
	Transfer			29 Sep 2017	21000	514894	0.4517
	Transfer			06 Oct 2017	94058	608952	0.5342
	Transfer			20 Oct 2017	35000	643952	0.5649
	AT THE END OF THE YEAR					643952	0.5649

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
10.	SLG INTERNATIONAL OPPORTUNITIES, L.P	284800	0.2498			284800	0.2498
	Transfer			25 Aug 2017	61590	346390	0.3038
	Transfer			01 Sep 2017	62623	409013	0.3588
	Transfer			08 Sep 2017	5643	414656	0.3637
	Transfer			15 Sep 2017	14009	428665	0.3760
	Transfer			22 Sep 2017	26451	455116	0.3992
	Transfer			29 Sep 2017	120387	575503	0.5048
	Transfer			03 Nov 2017	14009	589512	0.5171
	AT THE END OF THE YEAR					589512	0.5171

- Note:**
1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 114002564 Equity Shares.
 2. The details of holding has been clubbed based on PAN.
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2017		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares held	% of total shares of the company
1.	SHRI PRABAL BASU				
	At the beginning of the year	440	0.00	440	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer / Bonus / sweat equity etc) :	0	0	0	0
	At the End of the year (or on the date of separation, if separated during the year)	440	0.00	440	0.00

V. INDEBTEDNESS :

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

		Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year					
i)	Principal Amount	NIL	NIL	NIL	NIL
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
Total (i+ii+iii)		NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year					
▶ Addition		Short term loans taken from banks to meet working capital requirements during the year have all been repaid within the year.			
i)	Principal Amount	14,90,34,145.14			14,90,34,145.14
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
▶ Reduction		NIL	NIL	NIL	NIL
Net Change		14,90,34,145.14	NIL	NIL	14,90,34,145.14
Indebtedness at the end of the financial year					
i)	Principal Amount	14,90,34,145.14	NIL	NIL	14,90,34,145.14
ii)	Interest due but not paid	NIL			NIL
iii)	Interest accrued but not due	NIL			NIL
Total (i+ii+iii)		14,90,34,145.14	NIL	NIL	14,90,34,145.14

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount (₹)
		Shri Prabal Basu (01/04/17 - 31/03/18) (₹)	Ms. Manjusha Bhatnagar (01/04/17 - 31/01/18) (₹)	Shri D. Sothi Selvam (01/04/17 - 31/03/18) (₹)	Shri K Swaminathan (01/04/17 - 31/03/18) (₹)	Shri S S Khuntia (01/04/17 - 31/03/18) (₹)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77,18,562	62,91,225	67,75,927	61,35,536	58,79,952	3,28,01,202
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,60,688	6,11,658	2,90,051	3,09,361	2,56,941	17,28,699
	(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)	79,79,250	69,02,883	70,65,978	64,44,897	61,36,893	3,45,29,901
	Ceiling as per the Act	NA*	NA*	NA*	NA*	NA*	NA*

* as per exemptions to Government Companies vide Notification No. GSR 463(E) dated 5 June 2015 as amended by Notification No. GSR 582(E) dated 13 June 2017 and notification No. GSR 802(E) dated 23 Feb 2018, the ceiling of maximum managerial remuneration as stated in Section 197 of the Companies Act does not apply.

B. Remuneration to Other Directors: (In ₹)

Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
		Smt. Atreyee Borooh Thekedath	Shri Sunil Sachdeva	Shri Vijay Sharma	Smt. Indrani Kaushal	
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) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	--	--	--	--	--
3.	Sweat Equity	--	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--	--
5.	Others, please specify (Sitting Fees)	2,70,000	30,000	--	--	3,00,000
	Total (B)	2,70,000	30,000	--	--	3,00,000
	Ceiling as per the Act	NA*	NA*	NA*	NA*	NA*

*as per exemptions to Government Companies vide Notification No. GSR 463(E) dated 5 June 2015 as amended by Notification No. GSR 582(E) dated 13 June 2017 and notification No. GSR 802(E) dated 23 Feb 2018, the ceiling of maximum managerial remuneration as stated in Section 197 of the Companies Act does not apply.

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 2017-18]

The Company's philosophy on code of Corporate Governance

Your Company is committed to maintain sound Corporate Governance practices aimed at increasing value for its stakeholders. The Corporate Governance philosophy of the Company is based on the following five pillars:

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

Board of Directors ("the Board")

Composition

Article 7A of the Articles of Association of the Company stipulates that so long as it remains a Government Company, the President of India shall have the right to appoint one or more Directors on the Board of the Company to hold office for such period and upon such terms and conditions as the President may from time to time decide.

The Board of the Company as on 31st March 2018 consisted of six(6) Directors out of which four(4) were Functional / Executive / Whole-time Directors, one(1) was Non-executive Government Nominee Director and one(1) was Independent Director. Thereafter, in April 2018, an Independent Director was appointed on the Board of the Company which was followed by appointment of a whole-time director in May 2018. Taking into account the above, the Board, as on the date of this report, consist of eight(8) Directors out of which:

- five(5) are Functional / Executive / Whole-time Directors;

- two(2) are Independent Directors out of which one(1) is a Woman Director and
- one(1) Non-executive Government Nominee Director.

The Board does not have sufficient number of Independent Directors as required under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and Department of Public Enterprises (DPE) Guidelines. As per the applicable statute and regulations, at least 50% of the Board should comprise of Independent Directors. For induction of adequate number of Independent Directors on the Board, the Company has written to its administrative ministry, viz., Ministry of Petroleum & Natural Gas (MoPNG), Government of India.

A brief profile of the Directors of the Company is set out as under:

Shri Prabal Basu (DIN 06414341)

Chairman & Managing Director

Shri Prabal Basu was appointed as a Whole-time Director and he assumed office as Director (Finance) on 1st December, 2012 based on direction of MoPNG. He was further appointed by the members at the 96th Annual General Meeting (AGM) held on 24th September, 2013. Subsequently, upon direction of the MoPNG, Shri Prabal Basu was appointed as Chairman & Managing Director (C&MD) of the Company with effect from 1st August, 2015. His appointment was further confirmed by the members at the 98th AGM held on 22nd September, 2015 and was reappointed at the 100th AGM held on 14th September 2017. Shri Basu was 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).

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 32 years during which he has developed expertise in the functional areas of Accounts & Finance, Taxation,

Information Technology, ERP implementation and in various aspects of General Management.

Shri Basu holds 440 equity shares of the Company.

Shri D. Sothi Selvam (DIN 07038156)

Director (Manufacturing Businesses)

Shri D Sothi Selvam was appointed as a Whole-time Director and he assumed office as Director (Manufacturing Businesses) of the Company on 2nd January 2015 based on direction by the MoPNG. He was further appointed by the members at the 98th AGM held on 22nd September 2015 and was reappointed at the 99th AGM held on 22nd September 2016. In the ensuing AGM it is proposed to consider re-appointment of Shri Selvam who retires by rotation and being eligible offers himself for reappointment.

Shri Sothi Selvam is a Chemical Engineer and MBA in Marketing, with diverse Board Level Experience in the areas of Petroleum Fuels & Specialties, Petroleum & Synthetic Lubricants, Industrial Packaging, Leather Chemicals, Refinery & Oil Field Services and Engineering & Projects.

He has more than three decades of National and International Experience with Indian Oil Corporation Ltd., Lanka IOC PLC and Balmer Lawrie & Co Ltd., leading teams for driving Revenue Generation, Manufacturing Operations and Profitability through Sales & Marketing, Production Management, Supply Chain Management, Financial Management, Human Resource Management, R&D and Distribution Management.

He also serves as Director on the Boards of Avi-Oil India Ltd., Balmer Lawrie Van-Leer Ltd. and Balmer Lawrie (UAE) Dubai. During 2006-2009, Shri Selvam had also served as Director in the Board of Ceylon Petroleum Storage Terminals, the largest organization for Petroleum Storage and Distribution in Sri Lanka. He is a commissioner of PT Balmer Lawrie, Indonesia.

A keen analyst, he has developed expertise in the areas of Strategic Planning, Market Forecasting, Market and Product Development and is quick to identify & formulate strategies to exploit business opportunities.

Shri Kalyan Swaminathan (DIN 06912345)

Director (Service Businesses)

Shri Kalyan Swaminathan was appointed as a Whole-time Director on 1st August, 2015 based on the direction of the MoPNG and he assumed office as Director (Service Businesses). He was further appointed by the members at the 98th AGM of the Company held on 22nd September, 2015 and was

reappointed at the 100th AGM held on 14th September 2017.

Shri Swaminathan is a Bachelor of Commerce, a qualified Cost & Management Accountant (ACMA) and a qualified Company Secretary (ACS). He has a working experience of 35 years during which he has developed expertise in the functional areas of accounts, finance, ERP Implementation, logistics infrastructure, logistics services, ticketing, vacation businesses besides general management.

Shri Shyam Sundar Khuntia (DIN 07475677)

Director (Finance) & Chief Financial Officer

Shri Shyam Sundar Khuntia was appointed as a Whole-time Director on 28th March 2016 by the Board of Directors and he assumed the office as Director(Finance) based on the direction of the MoPNG. Further, he was also appointed as the Chief Financial Officer of the Company with effect from 31st March, 2016. Shri Khuntia was further appointed by the members as Director (Finance) at the 99th AGM of the Company held on 22nd September, 2016. In the ensuing AGM it is proposed to consider re-appointment of Shri Khuntia who retires by rotation and being eligible offers himself for reappointment.

Shri Khuntia is a Chartered Accountant and Cost Accountant with over 33 years of experience mainly in upstream oil and gas industries. Prior to joining Balmer Lawrie, he was associated with ONGC Videsh Ltd. and OIL India Ltd. He was instrumental in successfully developing the Accounting system of ONGC Videsh and the Accounting & MIS processes for overseas joint ventures and have won several accolades for his contributions.

Shri Khuntia has hands on experience in Treasury operation with fund raising from international market & Taxation Operations and has rich experience in areas of Risk management, Sustainability and HSE Processes. Further, he has developed expertise in developing accounting, budgeting and MIS systems for organizations.

Ms. Atreyee Borooah Thekedath (DIN 00795366)

Independent Director

Ms. Atreyee Borooah Thekedath was appointed as an Independent Director on the Board of the Company, on 13th February, 2017 based on the direction received from the MoPNG. She was further appointed by the members as an Independent Director of the Company for 3 years at the 100th AGM of the Company held on 14th September 2017.

Ms. Thekedath holds a Bachelor's degree in Computer Engineering from Manipal Institute of Technology, Karnataka, India and a Master's Degree in Business Administration (MBA) from Central Queensland University, Australia.

Ms. Thekedath has a working experience of about 20 years. She is a successful entrepreneur in the IT sector and is the founder of Web.Com (India) Pvt. Ltd., one of North-East India's leading software development companies catering to a vast cross section of clientele ranging from large PSUs to Government departments, to private companies in Northeast India and abroad. She is also involved in the running of her family's Tea Estates in Assam. Ms. Thekedath is an alumina of the prestigious Goldman Sachs 10,000 Women Program for Women Entrepreneurs and the coveted Fortune/ U.S. State Department Global Women's Mentoring Partnership Program.

Shri Vijay Sharma (DIN 08045837)

Government Nominee Director

Shri Vijay Sharma was appointed as the Government Nominee Director on the Board of the Company on 15th January, 2018 based on direction received from the MoPNG. In the ensuing AGM, it is proposed to appoint Shri Sharma as the Government Nominee Director of the Company for the period of 3 years with effect from 24th November 2017, (being the date of his nomination by the administrative ministry).

Shri Sharma holds a Master's degree in History.

Shri Sharma has a working experience of about 16 years wherein he developed expertise in functional areas of - Administration, Refinery, Excise and Vigilance. Shri Sharma is currently the Director (VIG/R/ CC/S/EP) in the Refinery Division of the MoPNG.

Shri Sunil Sachdeva (DIN 00754633)

Independent Director

Shri Sunil Sachdeva has been appointed as an Independent Director on the Board of the Company, on 4th April 2018, based on the direction received from the MoPNG. In the ensuing AGM, it is proposed to appoint Shri Sachdeva as an Independent Director of the Company 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 is a member of All India Management Association. Shri Sachdeva had cleared the Chartered Accountants (Intermediate) Exam in 1993.

Shri Sachdeva has a working experience of over 26 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. and Topend Construction Pvt. Ltd. He has one year job experience in Global Information and Distribution Corporation, Kuwait. Shri Sachdeva also owned a business under the name and style of Oriental Engg. Co., Varanasi which was distributor of MICO/Bosch for eastern U.P.

Shri Ratna Sekhar Adika (DIN 08053637)

Director (Human Resource & Corporate Affairs)

Shri Ratna Sekhar Adika has been appointed as an 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. In the ensuing AGM, it is proposed to appoint Shri Ratna Sekhar as Director (Human Resource and Corporate Affairs) of the Company.

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

Shri Ratna Sekhar started his career with M/s.Vijai Electricals Limited, Hyderabad as Management Trainee. He later joined M/s.Bharat Electronics Limited as Personnel Officer and worked there for 17 years. Thereafter, he took up assignments with M/s.Federal Mogul Goetze Limited, GMR Hyderabad International Airport Limited, M/s.Bilfinger Berger Constructions Private Limited, M/s.Ramky Group and M/s.Tata Projects.

Shri Ratna Sekhar has over 30 years of experience in multicultural organizations in Human Resources Management, Industrial Relations and Administration. He also has hands on experience in Man Power Planning, Sourcing, Talent Acquisition, Talent Management, Learning and Development initiatives, 360 degree leadership development programme, Performance Management System (PMS), performance counselling, Career Planning, Employee motivation programs, employee welfare and loyalty programmes and trade union negotiations. He is a keen strategist with the flair for designing and implementing innovative strategies and HR interventions in line with industry standards.

The composition of Board of Directors as on 31st March, 2018 and as on date of signing of this Report and the number of other Boards or Committees in which Director is a member/chairperson are enumerated as follows:

Name, designation and category of the Director	Total No. of Directorship in other Companies (including private and Companies incorporated outside India)	Number of memberships in Audit/ Stakeholder's Relationship Committee(s) of other public Companies (whether listed or not) - [Refer Regulation 26(1) of SEBI LODR]	Number of post of Chairperson in Audit/ Stakeholders' Relationship Committee of other public Companies (whether listed or not) – [Refer Regulation 26(1) of SEBI LODR]
Shri Prabal Basu - Chairman & Managing Director, Executive Director	3	2	0
Shri D. Sothi Selvam - Director (Manufacturing Businesses), Executive Director	3	1	0
Shri Kalyan Swaminathan - Director (Service Businesses), Executive Director	1	0	0
Shri Shyam Sundar Khuntia - Director (Finance), Executive Director and Chief Financial Officer	5	4	1
Ms Atreyee Borooh Thekedath - Independent Director, Non Executive Director	4	0	0
Shri Vijay Sharma[#] – Government Nominee Director, Non-Executive Director	0	0	0
Shri Sunil Sachdeva[#] – Independent Director, Non Executive Director	2	0	0
Shri Ratna Sekhar Adika[#] – Director (Human Resource and Corporate Affairs), Executive Director	0	0	0

As per Regulation 26(1)(b) of the SEBI (LODR), chairmanship/membership of the Audit Committee and the Stakeholders' Relationship Committee across other public companies (listed or not) have only been shown above.

[#]Shri Vijay Sharma was appointed as a Government Nominee Director w.e.f. 15th January, 2018. Shri Sunil Sachdeva was earlier appointed as an Independent Director w.e.f 18 September 2017, where after his office was vacated w.e.f. 1st February 2018. He was further appointed as an Independent Director w.e.f. 4th April 2018. Shri Ratna Sekhar Adika was appointed as a Wholetime Director w.e.f. 29th May 2018.

@Ms. Indrani Kaushal ceased to be Director of the Company w.e.f. 26th December, 2017 and Ms. Manjusha Bhatnagar ceased to be Director of the Company w.e.f. 1 February, 2018.

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 Annual General Meeting.

Attendance at the Board Meetings and at the last Annual General Meeting (AGM)

Attendance of the Directors at the Board meetings and last AGM held during the financial year 2017-18 is shown below:

Name of the Director	Board Meetings held during 2017-18								Attendance at last AGM held on
	29 th May, 2017	27 th July, 2017	9 th August, 2017	18 th September, 2017	10 th November, 2017	18 th January, 2018	8 th February, 2018	27 th March, 2018	14 th September, 2017
Shri Prabal Basu	√	√	√	√	√	√	√	√	√
Ms. Manjusha Bhatnagar [@]	√	√	√	X	√	X	NA	NA	√
Shri D Sothi Selvam	√	√	√	√	√	X	√	√	√
Shri K Swaminathan	√	√	√	√	√	√	√	√	√
Shri Shyam Sundar Khuntia	√	√	√	√	√	√	√	√	√
Ms. Indrani Kaushal [@]	√	√	X	√	√	NA	NA	NA	X
Ms. Atreyee Borooh Thekedath	√	√	√	√	√	X	√	√	√
Shri Sunil Sachdeva [#]	NA	NA	NA	NA	√	X	NA	NA	NA
Shri Vijay Sharma [#]	NA	NA	NA	NA	NA	√	√	√	NA

Notes:

[@] Ms. Indrani Kaushal ceased to be Director of the Company w.e.f. 26th December, 2017 and Ms. Manjusha Bhatnagar ceased to be Director of the Company w.e.f. 1st February, 2018.

[#] Shri Sunil Sachdeva was earlier appointed as an Independent Director w.e.f 18th September 2017, where after his office was vacated w.e.f. 1st February 2018. He was further appointed as an Independent Director w.e.f. 4th April 2018. Shri Vijay Sharma was appointed as a Government Nominee Director w.e.f.15th January, 2018.

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	Name of the Company in which the shares or convertible instrument is held as on 31-03-2018	Number of shares and convertible instrument	Percentage of shares and convertible instruments
Ms. Atreyee Borooah Thekedath	Web.com (India) Pvt. Ltd.	73750	50.00%
	Eastern Tea Brokers Pvt. Ltd.	14553	15.58%
	Gauhati Land Development Co. Pvt. Ltd.	5000	19.23%
	Baruanagar Tea Estate Pvt. Ltd.	1500	13.04%
	Baruakhat Tea Co. Pvt. Ltd.	200	13.33%
Shri Vijay Sharma	-	-	-
Shri Sunil Sachdeva	Oriental Diesels and Engineering Company Pvt. Ltd.	63170	85.88%
	Topend Construction Pvt. Ltd.	500	50%

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

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

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

COMMITTEES OF THE BOARD

Audit Committee

Terms of Reference

The terms of reference of the Audit Committee are in line with the Companies Act, 2013, ("the Act"), SEBI (LODR) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010. The terms of reference of the Committee are as follows:

- 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.
- Recommend the remuneration of the Statutory Auditors, appointed by the Comptroller and Auditor General of India, for approval of the shareholders

at the General Meeting in terms of the provisions of Section 142 of the Companies Act, 2013 so long as the provisions of Section 139(5) of the Companies Act, 2013 remain applicable to the Company and approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors within the meaning of Section 142(2) of the said Act.

- Review 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.
 - 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) in the draft Audit report.
- Approval of any subsequent modification of all Transactions of the Company with Related Parties.
- Review the follow-up action taken on the audit observations by the Comptroller & Auditor General of India as also recommendations of the Committee on Public Undertakings (COPU) of the Parliament.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus, etc., making appropriate recommendations to the Board to take up steps, if any, in this matter and monitoring the end-use of funds raised through public offers and related matters.
- Reviewing and monitoring with the management, performance of Statutory and Internal Auditors including their independence, the adequacy of internal control systems and the effectiveness of audit process.
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit Department and discuss with Internal Auditors any significant findings, including any difficulties encountered during audit work and follow-up thereon.
- Review the findings of any internal investigations by the Internal Auditors / Auditors / agencies into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Discuss with Statutory Auditors before the audit commences, nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Discuss with the Auditors periodically about internal control systems, the scope of audit including the observations of the Auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- Consider and review the following with the Independent Auditor and the management:
 - The adequacy of internal controls including internal financial controls, computerized information system controls and security, and
 - Related findings and recommendations of the Independent Auditors and Internal Auditors, together with the management responses.
- Scrutinize inter-corporate loans & investments of the Company from time to time, authorize valuation of undertakings or assets of the Company as and when the same becomes necessary and evaluate the risk management systems of the Company.
- Review the following:
 - Management Discussion and Analysis of financial condition and results of operations.
 - Statement of significant Related Party Transactions submitted by the 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, which shall be subject to review by the Audit Committee.

- Review Certification / Declaration of financial statements by the Chief Executive / Chief Financial Officer.
- Provide an open avenue of communication between the Independent Auditor, Internal Auditor and the Board of Directors.
- 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.
- Review the Whistle Blower Mechanism and to protect Whistle Blowers.

Composition

The Audit Committee, as on 31st March, 2018, consisted of five members out of which three were Whole-time Directors, one Government

Nominee Director and one Independent Director. The Independent Director is Chairperson of the Committee, which consist of the following:

- Ms. Atreyee Borooh Thekedath, Independent Director-Chairperson
- Shri D. Sothi Selvam, Director (Manufacturing Businesses)-Member
- Shri Kalyan Swaminathan, Director (Service Businesses)-Member
- Shri Shyam Sundar Khuntia, Director (Finance) and CFO-Member
- Shri Vijay Sharma, Government Nominee Director-Member

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

The Audit Committee met six(6) times during the financial year 2017-18. The details regarding the attendance of the Members at the meetings are enumerated as follows:

Name of the Members	Audit Committee Meetings held during the Financial year 2017-18					
	29th May 2017	27th July 2017	9th August 2017	10th November 2017	8th February 2018	27th March 2018
Ms. Atreyee Borooh Thekedath	√	√	√	√	√	√
Ms. Indrani Kaushal [@]	√	√	X	√	NA	NA
Shri D Sothi Selvam	√	√	√	√	√	√
Shri K Swaminathan	√	√	√	√	√	√
Shri Shyam Sundar Khuntia	√	√	√	√	√	√
Shri Vijay Sharma [#]	NA	NA	NA	NA	√	√
Shri Sunil Sachdeva [#]	NA	NA	NA	√	NA	NA

[@] Ms. Indrani Kaushal ceased to be Director of the Company w.e.f. 26th December, 2017 and Ms. Manjusha Bhatnagar ceased to be Director of the Company w.e.f. 1st February, 2018.

[#] Shri Sunil Sachdeva was earlier appointed as an Independent Director w.e.f 18th September 2017 whereafter his office was vacated w.e.f. 1st February 2018. He was appointed by the Board as an Independent Director w.e.f. 4th April 2018. Shri Vijay Sharma was appointed as Government Nominee Director w.e.f. 15th January, 2018.

Nomination & Remuneration Committee

The Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, and all the Directors of the Company are appointed by the MOPNG, their remuneration is fixed and performance evaluation is carried out by the Government of India from time to time. Nevertheless, a “Remuneration Committee” had been constituted by the Board at its meeting held on 30th January, 2009. The Committee was renamed as “Nomination & Remuneration Committee” on 28th March, 2017.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- 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 for the Directors, Key Managerial Personnel and other employees. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- The Nomination and Remuneration Committee

shall, while formulating the policy shall 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;
- 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.
- Devising a policy on Board diversity.

Composition

As on 31st March, 2018, the Committee consisted of one Government Nominee Director and one Independent Director being the only Non-executive Director in the Company. Ms. Atreyee Borooah Thekedath, Independent Director acted as the Chairperson of the Committee. The Committee held six meetings during the financial year detailed as under:

Name of the Members	Nomination and Remuneration Committee Meetings held during the Financial year 2017-18					
	29th May 2017	27th July 2017	18th September 2017	10th November 2017	8th February 2018	27th March 2018
Ms. Atreyee Borooah Thekedath	√	√	√	√	√	√
Ms. Indrani Kaushal@	√	√	√	√	NA	NA
Shri Sunil Sachdeva@	NA	NA	NA	√	NA	NA
Shri Vijay Sharma @	NA	NA	NA	NA	√	√

@Ms. Indrani Kaushal ceased to be Director of the Company w.e.f. 26th December, 2017. Shri Sunil Sachdeva was earlier appointed as an Independent Director w.e.f 18th September 2017 whereafter his office was vacated w.e.f. 1st February 2018. He was appointed by the Board as an Independent Director w.e.f. 4th April 2018. Shri Vijay Sharma was appointed as Government Nominee Director w.e.f. 15th January, 2018.

Performance evaluation criteria of 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

By virtue of Article 7A of the Articles of Association of the Company, the President of India is entitled to decide the terms and conditions of appointment of the Directors. This, inter alia, includes determination of remuneration payable to the Whole-time Directors. Non-Executive Independent Director is entitled to sitting fee of Rs.10,000 (Rupees Ten Thousand only) per meeting of Board and Committee 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.

Details of remuneration paid to Executive Directors (Wholetime Directors) during Financial Year 2017-18 are enumerated hereunder :

(All figures in ₹)

	Shri Prabal Basu	Ms. Manjusha Bhatnagar	Shri Dhandapani Sothi Selvam	Shri Kalyan Swaminathan	Shri Shyam Sundar Khuntia
Salary and allowances	5209719	4352552	4652266	4441150	4021163
Incentive	1882905	1338479	1358673	1188202	1340493
Provident Fund	526101	600194	738257	442830	500995
Gratuity	99837	–	26731	63354	17301
Perquisites	260688	611658	290051	309361	256941
TOTAL	7979250	69028813	7065978	6444897	6136893
Terms of appointment	C-31024/3/2013-CA (Part I)/ FTS : 39921 Dated 23rd October, 2015	C-31024/4/2012-CA (Part III)/FTS : 36712 Dated 27th April, 2017; C-31024/4/2012-CA (Part- IV)/FTS : 40800 Dated 29th April, 2016 C-31024/4/2012 – CA/FTS :19569 Dated 19th December, 2014	C-31024 / 7 / 2012-CA (Part-1)/FTS : 36715 Dated 4th August, 2016 C-31024/7/2012-CA/ FTS:23176 Dated 09th October, 2014	C-31024 / 2 / 2013 (Part I)CAFTS : 39922 Dated 21st March, 2017 C-31024/ 2/2013-CA /FTS:26994 Dated 18th May, 2015	C-31024/04/ 2015-CA/FTS: 39711 Dated 22nd March, 2016

Details of remuneration paid to Non-Executive Directors during Financial year 2017-18 are enumerated hereunder :

Name of Director	Sitting fees	Total Remuneration	Terms of Appointment
Smt. Atreyee Borooh Thekedath	2,70,000	2,70,000	C-31034/1/2016-CA/ FTS:46118 dated 31st January, 2017 and appointment letter dated 15th February, 2017
Shri Sunil Sachdeva	30,000	30,000	C-31034/2/2017-CA/ FTS:49128 dated 8 September 2017
Shri Vijay Sharma	Nil	Nil	C-31033/1/2016-CA/ FTS:42979 dated 24th November, 2017
Smt. Indrani Kaushal	Nil	Nil	C-31033/1/2016-CA/ FTS:42979 dated 19th December, 2016
TOTAL	3,00,000	3,00,000	

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

The Stakeholders' Relationship Committee reviews and monitors the grievances of shareholders and investors. As on 31st March, 2018, the Committee consisted of four members, namely, Ms. Atreyee Borooah Thekedath (Independent Director) as Chairperson, Shri Vijay Sharma (Government Nominee Director), Shri Kalyan Swaminathan, Director (Service Businesses) and Shri Shyam Sundar Khuntia, Director (Finance). The terms of reference of the Committee are as per the terms set out in SEBI (LODR).

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 01/04/2017	01
Received during the year	39
Disposed of during the year*	40
Remaining unresolved at the end of the year as on 31/03/2018	NIL
Complaints not solved to the satisfaction of shareholder*	0

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

General Body Meetings

Details of the last three Annual General Meetings held by the Company are enumerated as under :

DATE AND TIME	VENUE	MEETING NUMBER	SPECIAL RESOLUTION PASSED IN PREVIOUS 3 AGMS
14 th September 2017 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata – 700019	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.

DATE AND TIME	VENUE	MEETING NUMBER	SPECIAL RESOLUTION PASSED IN PREVIOUS 3 AGMS
22 nd September 2016 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata – 700019	99 th Annual General Meeting	Two Special Resolutions were passed at the AGM. a. For increase in Authorised Share Capital and consequent amendment in the Memorandum of Association. b. Alteration in the Articles of Association relating to the increase in Authorised Share Capital.
22 nd September 2015 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata –700 019	98 th Annual General Meeting	NIL

Special Resolutions passed in last year through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2017-18.

Special Resolution proposed to be conducted through Postal Ballot.

NIL

Means of Communication and Address for Correspondence

- The quarterly un-audited financial results were submitted to the Stock Exchanges within forty five days from the end of each quarter. Audited annual financial results along with the results for the fourth quarter of the financial year 2017-18, were announced within sixty days from the end of financial year. Simultaneously, the said results were published in the newspapers and also uploaded on the website of the Company.

- Quarterly/half yearly/audited financial results, notices, etc., for the Financial Year 2017-18 were published in Financial Express (English), Ei Samay (Bangla) and Jansatta (Hindi).
- The financial results and other corporate announcements issued by the Company and other shareholder’s information is posted on the Company’s website http://www.balmerlawrie.com/static/corporate_announcement.
- The Company has an exclusive e-mail ID viz, blsharegrievance@balmerlawrie.com to enable the investors to lodge their complaint/grievance, if any.
- Official news releases are also available on the Company’s website viz. www.balmerlawrie.com.
- All communications relating to share registry matters may be addressed to:

<p>Karvy Computershare Private Limited Apeejay House Block “B”, 3rd Floor, 15 Park Street, Kolkata 700 016 Tel: 033 6628 5900 Email : einward.ris@karvy.com www.karvycomputershare.com</p>	<p>Balmer Lawrie & Co. Ltd. Secretarial Department, 21, Netaji Subhas Road, Kolkata-700001 Phone-(033)2222 5329 E-mail : bhavsar.k@balmerlawrie.com Or sen.k@balmerlawrie.com</p>
--	--

The Company has appointed Karvy Computershare Pvt. Ltd. (KCPL) having its registered office at Karvy House, No. 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034 as Registrar and Share Transfer Agent of the Company.

General Shareholders' Information

Date & Time	Wednesday, 12 th September, 2018, 10.30 a.m.
Venue	G D Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019
Financial year	1 st April, 2017 to 31 st March, 2018
Book Closure Dates	Thursday, 6 th September, 2018 to Wednesday, 12 th September, 2018

Dividend Payment Date

Upon declaration at the ensuing 101st Annual General Meeting scheduled on 12th September, 2018, dividend shall be paid to those shareholders (holding shares as on 5th September, 2018 End of Day) on or after 25th September, 2018, and within statutory period of 30 days from the date of declaration.

Dividend History & Amount of Unclaimed Dividend to be transferred to the 'Investors' Education and Protection Fund'

Date on which, dividend declared / Financial year	Total amount of Dividend (in ₹)	Amount of unclaimed dividend as on 31 st March, 2018 (In ₹)	% of unclaimed dividend to total dividend	Due date of transfer to* the "Investors' Education and Protection Fund"	Type of Dividend
23 rd September, 2011 2010-11	42,34,38,106.00	29,53,355.00	0.70	30 th October 2018	Final
26 th September, 2012 2011-12	45,60,10,268.00	16,09,412.00	0.35	2 nd November 2019	Final
24 th September, 2013 2012-13	50,16,11,281.60	35,33,129.60	0.70	31 st October 2020	Final
25 th September, 2014 2013-14	51,30,11,538.00	31,84,218.00	0.62	1 st November 2021	Final
22 nd September, 2015 2014-15	51,30,11,538.00	33,89,922.00	0.66	29 th October 2022	Final
22 nd September, 2016 2015-16	57,00,12,820.00	33,35,560.00	0.59	29 th October 2023	Final
14 th September, 2017 2016-17	79,80,17,948.00	54,61,253.00	0.68	21 st October 2024	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 Participants (where the shares are being held in dematerialized mode) on or before 5th September, 2018, (end of day).

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

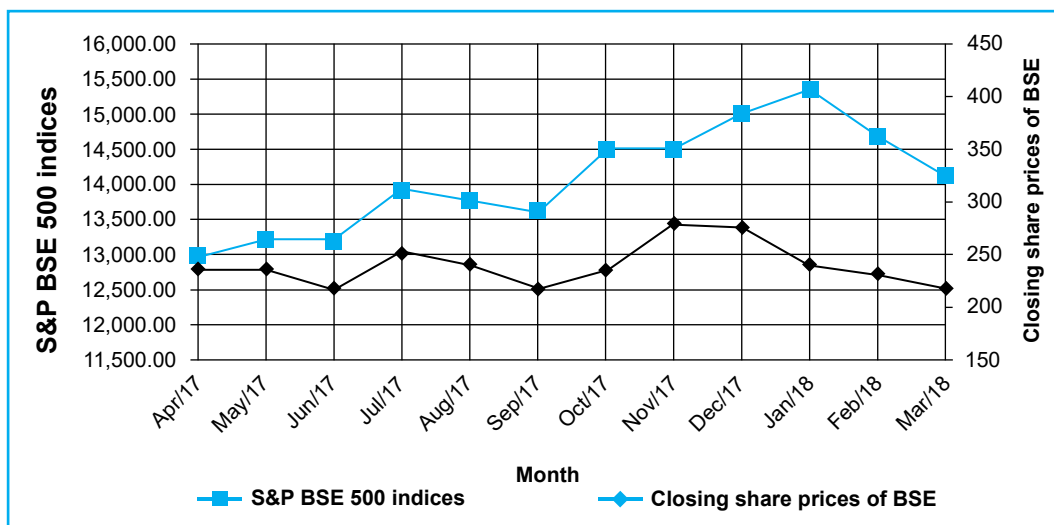
Stock Exchanges where the equity shares of the Company are listed and other related information

Name and address of the Stock Exchanges	Stock code	Confirmation about payment of Annual Listing Fee for FY 2017-18 to the Stock Exchanges
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	523319	Yes
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	BALMLAWRIE	Yes
ISIN Code of the Company	INE 164A01016	

Market Price (High and Low) of the Company as per National Stock Exchange of India Limited and Bombay Stock Exchange (for the period April 2017 to March 2018)

Month	National Stock Exchange of India Limited		BSE Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-17	251.95	229.05	252.00	229.60
May-17	244.80	210.60	244.00	215.90
June-17	239.90	212.40	239.90	212.95
July-17	275.00	217.45	254.90	217.75
August-17	255.00	220.30	254.80	220.00
September-17	249.00	215.10	248.00	216.00
October-17	241.80	215.00	241.95	216.10
November-17	299.95	236.00	302.00	236.35
December-17	283.40	238.00	290.05	238.80
January-18	283.35	239.10	284.90	239.30
February-18	250.00	220.05	248.75	211.50
March-18	235.90	211.00	235.00	211.40

Market Price of the Equity Shares of the Company vis-a-vis the BSE MIDCAP



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, Karvy Computershare Private Limited, Apeejay House Block “B”, 3rd Floor, 15 Park Street, Kolkata 700 016, Tel: 033 6628 5900, Email : einward.ris@karvy.com, www.karvycomputershare.com.

Share Transfer System

The Share Transfer Committee of the Company oversees the physical share transfer procedure and miscellaneous share registry matters. The Committee meets every Monday and Thursday of the week to monitor and approve the various cases of physical share transfer subject to receipt of requests for transfer of shares or other miscellaneous share registry matters. The committee consists of the Chairman & Managing Director and all Whole-time Directors.

The Company is committed to persistently improve and raise the standard of service to the shareholders.

Distribution of Shareholding as on 31st March, 2018 on the basis of category of Shareholders

Category & Name of the Shareholders	Total no. of Equity Shares	% (On the total Equity holding)
Promoter and Promoter Group	0	0.00
Mutual Funds	11398	0.01
Foreign Portfolio Investors	2810627	2.47
Financial Institutions / Banks	114502	0.10
Insurance Companies	8681143	7.61
Central Government / State Government (s) / President of India	60660	0.05
Others	102324234	89.76
Total	114002564	100.00

Distribution of Shareholding Report (NSDL+CDSL+Physical) on the basis of number of Equity shares held as on 31st March, 2018:

Sr. No.	Number of Shareholding			No. of Shareholders	% of Total Shareholders	Number of Shares	% of Total Share Capital
1	1	to	500	41269	83.15	4945693	4.34
2	501	to	1000	3851	7.76	2935488	2.57
3	1001	to	2000	2126	4.28	3162187	2.77
4	2001	to	3000	750	1.51	1878808	1.65
5	3001	to	4000	473	0.95	1694606	1.49
6	4001	to	5000	254	0.51	1171858	1.03
7	5001	to	10000	481	0.97	3407389	2.99
8	10001	&	above	431	0.87	94806535	83.16
Total				49635	100.00	114002564	100.00

Dematerialization of Shares and Liquidity

The Equity shares of your Company are to be traded compulsorily in de-materialized mode and are available for trading, with both the Depositories in India, i.e., National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

As on 31st March 2018, the distribution of Equity Shares held in physical and de-materialized mode, are produced below:

Percentage of physical and dematerialized shares as on 31st March, 2018

Type of shares	%
Physical	1.68
Dematerialized	98.32
TOTAL	100.00

Your Company, has paid the annual custody fee for the financial year 2017-18 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.

Plant Location :

Name of the business	Location	Location
<p>Greases & Lubricants</p>	<p><u>Manufacturing Units :</u> Chennai Kolkata Silvassa</p> <p>Application Research Laboratory: Kolkata</p>	<p><u>Marketing Offices:</u> Bengaluru Chandigarh Chennai Coimbatore Gurugram Hyderabad Jaipur Kolkata Mumbai New Delhi Patna Pune Raipur Vadodara</p>
<p>Industrial Packaging</p>	<p><u>Manufacturing units:</u> Asaoti Chennai Chittoor Kolkata Navi Mumbai Silvassa</p>	<p><u>SBU Office:</u> Mumbai Gurugram,</p> <p>Sales Office: Gurugram Vadodara</p>
<p>Leather Chemicals</p>	<p><u>Manufacturing units :</u> Chennai</p> <p><u>Technical Service Centers :</u> Ambur Chennai Kanpur Kolkata Ranipet</p>	<p><u>Marketing office:</u> Chennai</p> <p><u>Product Development Centre :</u> Chennai</p>
<p>Logistics Services</p>	<p>Ahmedabad Bengaluru Chennai Coimbatore Goa Guntur Hyderabad Kanpur Karur</p>	<p>Kochi Kolkata Mumbai New Delhi Pune Thiruvananthapuram Tuticorin Visakhapatnam</p>
<p>Logistics Infrastructure</p>	<p><u>Container Freight Station</u> Chennai Kolkata Mumbai</p>	<p><u>Warehousing & Distribution</u> Coimbatore Hide Road Complex, Kolkata Sonapur, Kolkata</p>

Name of the business	Location	Location
	Temperature Controlled Warehouse Hyderabad Rai Mumbai (yet to commission)	Multimodal Logistics Hub Visakhapatnam
Refinery & Oilfield Services	Kolkata	
Travel	Ahmedabad Bengaluru Bhubaneswar Chandigarh Chennai Coimbatore Delhi Gurugram Guwahati Hyderabad Indore Kanpur	Kochi Kolkata Lucknow Mumbai Nagpur New Delhi Port Blair Pune Thiruvananthapuram Vadodara Visakhapatnam
Vacations	Ahmedabad Bengaluru Bhubaneswar Chennai	Hyderabad Kolkata Mumbai New Delhi

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 RPTs have been detailed in Note No. 40.19 of the Financial Statement. The Company has formulated RPT Policy which was amended in May 2017 pursuant to amendment in clause (a) of sub-rule (3) of rule 15 of Companies (Meetings of Board and its Powers) Rules, 2017 in March 2017 and the same has been uploaded on the website of the Company at

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

b) Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the Board or any

statutory authority, on any matter related to capital markets, during the last three years:

NIL

c) The Company introduced the 'Whistle Blower Policy' with effect from January, 2010 to promote and encourage transparency in the Company and protects employees against victimization. The Chairperson of the Audit Committee is the Ombudsperson under the Policy. The Policy is posted on the Company's website viz http://www.balmerlawrie.com/app/webroot/uploads/Whistle_Blower_Policy.pdf

No person has been denied access to the information related 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 Personnel 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 had, 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.
- g) Pursuant to SEBI (LODR), 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, 2018.
- j) The Company, in August 2017 had updated its Enterprise Risk Management Policy to meet the specific requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations. The said policy is posted on the Company’s website viz http://www.balmerlawrie.com/app/webroot/uploads/ERM_Policy01_08_17.pdf
- k) Web link where policy for determining ‘material subsidiaries’ is disclosed:

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

- l) The Company adopted Dividend Distribution policy in the year 2016, the web link of the said policy is : http://www.balmerlawrie.com/app/webroot/uploads/DIVIDEND_DISTRIBUTION_POLICY.pdf
- m) Disclosure of commodity price risks and hedging activities as per Schedule V of SEBI (LODR).
The Company does not have any commodity price risk.
However, as compared to BL’s turnover, BL has relatively small Foreign exchange exposures on account of the following:
 - a. Import of raw materials, spares and components & Capital goods
 - b. import of services
 - c. Export of goods and services and
 - d. Dividend earnings

The transaction risks in all of the above cases including transaction gain/loss on settlement is on BL.

BL takes forward covers for major currencies where it has an exposure as per forex policy which is updated by the Company from time to time.

Other Disclosure

- i) Details of Presidential directives issued by the Central Government and their compliance during the year and the last three years: Nil
- ii) Items of expenditure debited on the books of accounts, which are not for the purpose of the business: NIL
- iii) Expenses incurred which are personal in nature and incurred for the Board of Directors and top management: NIL
- iv) Details of administrative and office expenditure as a percentage of total expenses vis-à-vis financial expenses and reasons for increase:

(a) Admin expenses as % of Total expenses

2017-18 - 14.70%

2016-17 - 13.06%

The nominal increase in the percentage is mainly on account of impairment of assets.

(b) Finance expense as % of Total expenses

2017-18 - 0.27%

2016-17 - 0.28%

Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

All mandatory requirements of applicable provisions of the SEBI (LODR) have been complied with except for appointment of required number of Independent Directors and other allied matters. As far as compliance of non-mandatory requirements are concerned, the Company has not adopted any non-mandatory requirement except that Internal Auditor of the Company reports to the Audit Committee. The applicable Non Mandatory requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

Confirmation of compliance as per SEBI (LODR):

It is hereby confirmed that except as stated above, the Company has complied with the requirements under Regulations 17 to 27 and Regulation 46 of the SEBI LODR, 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 Board's Report.

For and on behalf of the Board
Balmer Lawrie & Co.Ltd.

Prabal Basu
Chairman & Managing Director

D Sothi Selvam
Director (Manufacturing Businesses)

Date: 7th July, 2018

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 Code of Business conduct and Ethics for 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 Business Conduct and Ethics for Board Members and Designated Personnel within 30 days from the end of 31st March 2018.

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

Place : Kolkata
Date: 2nd April, 2018

Prabal Basu
Chairman & Managing Director

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

The Members
Balmer Lawrie & Co. Limited
21, N.S. Road
Kolkata - 700001

We have examined the compliance of conditions of Corporate Governance by Balmer Lawrie & Co. Limited (the company) for the financial year ended 31st March, 2018 as stipulated in SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 [SEBI(LODR)] and Guidelines for Corporate Governance for CPSES 2010 of Department of Public Enterprises (DPE). The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination is limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the company and subject to:

- i) Regulation 17(1)(b) of SEBI (LODR) Regulation, 2015 and clause 3.1.4 of DPE Guidelines require that in case the Chairman is an Executive Director at least half of the Board should comprise of Independent Director. However, during the Financial Year (from 1st April 2017 to 31st March, 2018) there were two Independent Directors on the Board of the Company, out of which one of the Independent Director, Shri Sunil Sachdeva, who was appointed by the Board in its Board Meeting dated 18th September, 2017, had to vacate his office w.e.f. 1st February, 2018, owing to the disqualification as per Section 164(2) of the Companies Act, 2013. As against this we have been given to understand that the Company has intimated the need for appointment of Independent Directors to the Ministry of Petroleum & Natural Gas (MOPNG), which is the appointing authority in this regard.
- ii) Regulation 18(1)(1b) of SEBI (LODR) Regulation, 2015 and clause 4.1.1 of DPE Guidelines require that at least two third of Audit Committee should comprise of Independent Director. However, during the Financial Year (from 1st April, 2017 to 31st March, 2018) there were two Independent Directors on the Board of the Company, out of which one Independent Director, Shri Sunil Sachdeva, who was appointed by the Board in its meeting dated 18th September, 2017, had to vacate his office w.e.f. 1st February, 2018, owing to the disqualification as per Section 164(2) of the Companies Act, 2013. As against this, we have been given to understand that the Company has intimated the need for appointment of Independent Directors to the Ministry of Petroleum & Natural Gas (MOPNG), which is the appointing authority in this regard.
- iii) Regulation 19(1)(c) of SEBI (LODR) Regulation, 2015 require that at least half of Nomination and Remuneration Committee should comprise of Independent Director. However, during the first quarter (from 1st April, 2017 to 30th June, 2017), third quarter (from 1st October, 2017 to 31st December, 2017) and fourth quarter (from 1st January, 2018 to 31st March, 2018), the committee consisted of only two Non-Executive Directors of the Company due to absence of sufficient Non-Executive Directors on the Board of the Company.
- iv) Regulation 23(2) of SEBI (LODR) Regulation, 2015 require all Related Party Transactions shall require prior approval of the Audit Committee. However, during the Financial Year (from 1st April, 2017 to 31st March, 2018) some of the transactions approved by the Audit Committee and Board, Post facto. These transactions appeared to be regular business transactions and are continuing in nature.

Subject to the above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulation, 2015 and in guidelines for Corporate Governance CPSES 2010 of DPE.

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

For Dutta Sarkar & Co.
Chartered Accountants
FRN : 303114E

(B.K. Dutta)

Partner

Membership No. - 016175

Date : 26.06.2018

Place : Kolkata

MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
BALMER LAWRIE AND COMPANY LIMITED
21 Netaji Subhas Road
Kolkata – 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Balmer Lawrie and Company Limited bearing CIN No- L15492WB1924GOI004835 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, 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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) (as amended) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) (as amended) and the rules made thereunder;
- (iii) The Depositories Act, 1996 (as amended) and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - d) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) Other laws specifically applicable to the Company:
 - a) Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprise vide their OM. No. 18(8)/2005- GM dated 14th May, 2010;

- b) Legal Metrology Act, 2009;
- c) Customs Act, 1962;
- d) Petroleum Act, 1934 read with Petroleum Rules, 2001;
- e) The Foreign Trade (Development and Regulation Act), 1992;
- f) The Warehousing (Development and Regulation) Act, 2007;

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

- (i) Secretarial Standards 1 to 3 issued by the Institute of Company Secretaries of India (as amended).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations as follows:

- (i) In certain cases, the Company has not complied Regulation 23(2) of SEBI LODR, 2015 which requires the Company to obtain prior approval of Audit Committee for all Related Party Transactions. In certain cases, delayed ratification of Related Party Transactions by the Board has led to deviation from requirements of Section 188(3) read with Section with 188(1) of the Act;
- (ii) The composition of the Board and its Committees are not in accordance with the requirements of the Act and SEBI LODR, 2015 because required number of independent Directors have not been nominated by the Administrative Ministry, Ministry of Petroleum and Natural Gas. This improper composition of the Board and its Committees has also led to deviation with other allied requirements such as quorum for Committee Meetings, Separate Meeting of independent Directors etc.

We further report that,

The Board of Directors of the Company is not duly constituted, as stated above, with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in cases where the meeting was called at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has not incurred any specific event / action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard referred to above.

For N.K & Associates
Company Secretaries

Navin Kothari
Proprietor
FCS No. 5935
C P No.: 3725

Place: Kolkata
Date: 06.07.2018

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

To,
The Members,
BALMER LAWRIE & CO. LTD
21, Netaji Subhas Road
Kolkata – 700001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for my opinion.
3. In view of financial records and books of accounts being subjected to audit by the Internal Auditor, Statutory Auditor, Cost Auditor and C&AG Auditor and relying on the reports submitted by the above agencies from time to time, we have not separately verified the financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For N.K & Associates
Company Secretaries

Navin Kothari
Proprietor
FCS No. 5935
C P No.: 3725

Place: Kolkata
Date: 06.07.2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALMER LAWRIE & CO. LTD**

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Balmer Lawrie & Co. Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as Ind AS Financial Statements), in which are incorporated the returns for the year ended on that date audited by the Branch Auditors of the Company's branches located under Northern region, Western region and Southern region.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made

by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) in the case of Statement of Profit and Loss (including Other Comprehensive Income), of the Profit for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (d) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Ind AS financial statements, which describe the uncertainty related to the outcome. Our opinion is not qualified in respect of this matter.

- a) Note No. 24:- Non Financial Liabilities (Current) includes Unallocated Receipts Rs. 853.53 lakhs as on 31st March 2018 are subject to reconciliation and adjustment with Trade Receivable and Others Receivable
- b) Note No.40.7:-Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to

reconciliation and consequential adjustments on determination/ receipt of such confirmation.

Other Matter

- a) Confirmation of outstanding balances of trade receivable, claims recoverable, various advances, deposits, trade payables and other liabilities was not made available for our verification. Further to above, as pointed out in the audit report of the Northern Region, 39% of the total debtors, mainly consisting of dues from Ministries and PSU clients, is above one year, against a maximum credit period of 120 days for the Tours and Travel division.
- b) We did not audit the Ind AS financial statements of three (3) Regions included in the standalone Ind AS financial statements of the Company whose Ind AS financial statement reflect total assets of Rs. 105,819.29 lakhs as at 31st March 2018 and total revenue of Rs. 139,050.60 lakhs for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements of these regions have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these Regions, is based solely on the report of such branch auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure- A", a statement on the matters specified in paragraphs 3 and 4 of the order.
2. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The reports on the account of the three (3) Regions of the Company audited under section 143(8) of the act by branch auditors have been submitted to us and have been properly dealt with by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts.
- e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) We are informed that provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification no. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its Ind AS financial statements – Refer Note 40.2(a) and (b) to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) As required by section 143(5) of the Act, a statement on the matters specified as per directions given by the Comptroller & Auditor General of India, is given in "Annexure- C".

For **DUTTA SARKAR & CO.**

Chartered Accountants

Firm Registration No. - 303114E

(Bijan Kumar Dutta)

Partner

Date : 29th May, 2018

Place : New Delhi

Membership No. - 016175

**ANNEXURE - 'A' TO AUDITOR'S REPORT
AS REPORTED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE**

- i) In respect of its fixed assets:
- a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which plant and machinery are verified every year and other fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained to us, in accordance with its program plant and machinery and certain other fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of Immovable properties are held in the Name of the Company except to the extent of the properties and values specified in Note No.40.1(a) and (b) to the financial statements.
- ii) The inventory of the Company except goods in transit has been physically verified during the year by the management. In our opinion, having regard to the nature and location of inventory the frequency of verification is reasonable and no material discrepancies were noticed on such verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly
- clauses 3(iii) (a) to 3(iii) (c) of the Order are not applicable.
- iv) The Company has not given any loans, guarantees, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Company has not accepted any deposits, according to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- 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) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and other statutory dues to the appropriate authorities and there was no

- amount due for more than six months as at the last day of the financial year.
- (b) The disputed statutory dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax aggregating to Rs.10,918.67 lakhs have not been deposited as mentioned in Note No.40.2(a) to the financial statements showing the amounts involved and the forum where the dispute is pending.
- viii) The Company has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Hence this clause is not applicable.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) By virtue of Article 7A of the Articles of Association of the company, the President of India is entitled to determine terms and conditions of appointment of the Directors. This inter alia includes determination of remuneration payable to the Whole- Time Directors. Hence this clause is not applicable.
- xii) The Company is not a Nidhi Company. Hence this clause is not applicable.
- xiii) According to the information and explanations provided to us and the records of the company examined by us, the Company has not been able to comply with the requirements of Section 177 in respect of composition of Audit Committee, since independent directors on the board are yet to be appointed by the Government of India.
- All transactions of the Company with related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statement in Note No. 40.20(i) and (ii) to the financial statements as required by the applicable accounting standard.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence this clause is not applicable.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Hence this clause is not applicable.
- xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

Date : 29th May, 2018

(Bijan Kumar Dutta)

Place : New Delhi

Partner

Membership No. - 016175

ANNEXURE - 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Paragraph (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of BALMER LAWRIE & CO. LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the

extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends 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 Region's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of record, that in reasonable detail, accurately and fairly

reflect the transaction and disposition of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has maintained , in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the "Institute of Chartered Accountants of India".

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. - 303114E

(Bijan Kumar Dutta)

Date : 29th May, 2018

Partner

Place : New Delhi

Membership No. - 016175

Direction under sections 143(5) of the Companies Act, 2013

Sl. No	Directions	Auditor's Reply
1	Whether the company has clear title/ lease Deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available?	Details are furnished in Annexure "C- 1"
2	Whether there are any cases of waiver/ write off of debts/ loans/ interest etc. if yes, the reason there for and amount involved	Details are furnished in Annexure "C- 2"
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant(s) from the Govt. or other authorities.	Not applicable

Direction under section 143(5) of the Companies Act, 2013

Annexure - 'C - 1'

Details of freehold and leasehold land for which title/ lease deeds are not available as on 31.03.2018.

Sl. No.	Location	Area	Remarks
1.	New Beerbhoom Coal Co. Ltd. Asansol, Burdawan	5353.16 Sq. Mtr	Lease not renewed after year 2000.
2.	Container & Cylinder Division	2921.05 Sq.Mtr	Lease Deed expired on 31.05.2005 and on 19.01.2002. Renewed Lease Deed not available.
3.	Industrial Packaging Division, Plot No. G-15, G-16, G-17, MIDC, Taloja, Industrial Area, Maharashtra – 410208	-	G15, G16 lease deed with MIDC pending for Registration.G17 registered lease deed is found.
4.	Balmer Lawrie & Co. Ltd., Manali-Chennai 600068 (LC,GL,AS,PDC,IP)	27.54 Acre	The title of the land has not yet been transferred in the name of the company
5.	Balmer Lawrie & Co. Ltd., Manali-Chennai 600068 (CFS-CHENNAI)	10.20 Acre	The title of the land has not yet been transferred in the name of the company
6.	5, J.N.Heredia Marg Lease hold Ballard Estate Mumbai 400001	-	Photocopy of lease deed available.
7.	Grease Division Free Hold Land149, Jackeria Bunder Road Sewree(W) Mumbai 400015	-	Photocopy of agreement and survey report available.
8.	Industrial Packaging Division Lease Hold Land 149, Jackeria Bunder Road Sewree(W) Mumbai 400015	-	Survey report available
9.	Free Hold Land Survey No 201/1, Sayli Village, Silvassa 396230	-	Copy of Agreement.
10.	Free Hold Land Survey No 23/1/1, Khadoli Village, Silvassa 396230	-	Copy of Agreement.
11.	BL Housing Complex Lease Hold Land Plot no 1-1&1-2, Sector 2, Phase II, Nerul, Navi Mumbai 400706	2413 Sq. Mts.	With CIDCO

Direction Under Section 143(5) of the Companies Act, 2013

Annexure - 'C - 2'

Details of write-off of debts, advances, deposits and fixed assets etc. as on 31.03.2018

Sl. No.	Reasons for write-offs	31-03-2018 (₹ in Lakhs)
1.	Debts	
	Liquidated Damage	71.52
	Risk Purchase	3.87
	Difference in Excise Duty	5.37
	Closed Business/Party not traceable	2.84
	Adhoc Deduction by customers / Reconciliation Problem	3.49
	Quality related Problem / damaged goods	21.93
	Cancellation Charges, Service Tax not paid by customers	16.89
	Service Charges / No Show tickets etc	10.38
	Price differential not paid by customers	3.72
	Difference of VAT, CST	13.84
Demurrage Charges / Port charges / Transit Penalty	4.18	
	TOTAL (A)	158.03
2.	Loans & Advances	
	Detention charges/Freight Charges	2.83
	Rent	0.09
	TOTAL (B)	2.92
3.	Deposits	
	Sundry Deposits written off	0.73
	TOTAL (C)	0.73
4.	Inventory	
	Inventory Written off	0.29
	TOTAL (D)	0.29
5.	Fixed Assets	
	Fixed Assets written off	16.06
	TOTAL (E)	16.06
	GRAND TOTAL (A + B + C + D + E)	178.03

**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 & CO. LIMITED, KOLKATA FOR THE
YEAR ENDED 31 MARCH 2018**

The preparation of financial statements of Balmer Lawrie & Co. Limited, Kolkata for the year ended 31 March 2018 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 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 29 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Balmer Lawrie & Co. Limited, Kolkata for the year ended 31 March 2018. 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of the

Comptroller & Auditor General of India

(Suparna Deb)

Director General of Commercial Audit
& Ex-officio Member, Audit Board-I,
Kolkata

Place : Kolkata

Date : 27.07.2018

BALANCE SHEET AS AT 31ST MARCH 2018

	Note No.	As at 31 March 2018	(₹ in lakhs) As at 31 March 2017
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	39,480.03	38,266.78
(b) Capital work-in-progress		1,324.53	2,331.30
(c) Investment Property	3	113.54	61.88
(d) Goodwill	4	—	689.32
(e) Other Intangible assets	4	527.27	629.60
(f) Intangible assets under development		—	—
(g) Financial Assets			
(i) Investments	5	13,840.66	8,737.76
(ii) Loans	6	428.29	485.28
(iii) Others	7	554.61	501.09
(h) Deferred tax Assets (net)	8	—	802.10
(i) Other Non Current assets	9	3,480.00	3,715.16
Total Non Current Assets		59,748.93	56,220.27
(2) Current Assets			
(a) Inventories	10	13,663.32	15,169.64
(b) Financial Assets			
(i) Trade Receivables	11	27,127.33	28,160.55
(ii) Cash & cash equivalents	12	5,059.07	3,106.48
(iii) Other Bank Balances	13	43,007.56	47,758.91
(iv) Loans	14	2,467.37	439.11
(v) Others	15	27,170.78	20,754.91
(c) Other Current Assets	16	6,940.62	7,742.33
Total Current Assets		125,436.05	123,131.93
Total Assets		185,184.98	179,352.20
EQUITY AND LIABILITIES			
Total Equity			
(a) Equity Share Capital	17	11,400.25	11,400.25
(b) Other Equity	18	114,185.89	105,198.52
Total Equity		125,586.14	116,598.77
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,115.99	—
(ii) Trade Payables	19	—	—
(iii) Other Financial Liabilities	19	49.82	21.85
(b) Provisions	20	3,777.48	5,579.30
(c) Deferred Tax Liabilities (net)	8	818.57	—
(d) Other Non Current liabilities	21	7.06	4.12
Total Non Current Liabilities		5,768.92	5,605.27
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		374.35	—
(ii) Trade Payables	22	32,279.10	30,711.56
(iii) Other Financial Liabilities	23	11,945.81	13,065.52
(b) Other Current liabilities	24	5,948.14	6,805.63
(c) Provisions	25	504.33	1,990.88
(d) Current Tax liabilities (net)	26	2,778.19	4,574.57
Total Current Liabilities		53,829.92	57,148.16
Total Equity and Liabilities		185,184.98	179,352.20

Summary of significant accounting policies 1
The accompanying notes are integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath

Membership No. 016175

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

New Delhi, 29th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Note No.	For the Year Ended 31 March 2018	(₹ in lakhs) For the Year Ended 31 March 2017
Revenue			
Revenue from operations	27	175,920.86	182,808.25
Other income	28	7,093.46	7,309.23
		183,014.32	190,117.48
Expenses			
Cost of materials consumed & Services rendered	29	105,749.72	106,940.86
Purchase of stock-in-trade	30	712.43	1,148.67
Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	1,199.19	(38.44)
Excise Duty on sales		3,303.94	12,171.84
Employee Benefit Expenses	32	19,799.42	19,936.53
Finance costs	33	422.66	453.66
Depreciation and amortisation expense	34	2,655.70	2,584.47
Other expenses	35	23,059.75	21,508.99
		156,902.81	164,706.58
Profit before exceptional items and Tax		26,111.51	25,410.90
Exceptional Items		—	—
Profit before Tax		26,111.51	25,410.90
Tax expense	36		
Current Tax		6,092.00	8,851.00
Deferred Tax	8	1,538.00	(481.99)
Profit for the period from Continuing Operations		18,481.51	17,041.89
Profit/(Loss) from Discontinued Operations			
Tax expense of Discontinued Operations			
Profit/(Loss) from Discontinued Operations after Tax			
Profit/(Loss) for the period		18,481.51	17,041.89
Other Comprehensive Income	37		
A i) Items that will not be reclassified to profit and loss		238.88	131.28
ii) Income tax relating to items that will not be reclassified to profit or loss		(82.67)	(45.43)
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			
Other Comprehensive Income for the year		156.21	85.85
Total Comprehensive Income for the year		18,637.72	17,127.74
Earnings per equity share	38		
Basic (₹)		16.21	14.95
Diluted (₹)		16.21	14.95

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 **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath

Membership No. 016175
New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lakhs)

Particulars	Year Ended 31 March 2018	Year Ended 31 March 2017
Cash flow from Operating Activities		
Net profit before tax	26,112	25,411
Adjustments for:		
Depreciation and amortisation	2,656	2,584
Impairment of Assets	1,071	—
Write off/Provision for doubtful trade receivables (Net)	(2,909)	1,002
Write off/Provision for Inventories (Net)	(36)	30
Other Write off/Provision (Net)	2,814	1
(Gain)/ Loss on sale of fixed assets (net)	11	(2)
(Gain)/ Loss on fair valuation of Investments (net)	—	—
Interest income	(3,533)	(3,463)
Dividend Income	(1,824)	(1,150)
Finance costs	423	454
Operating Cash Flows before working capital changes	24,785	24,866
Changes in operating Assets and Liabilities		
(Increase)/Decrease in trade receivables	3,942	(6,130)
(Increase)/Decrease in non current assets	309	(292)
(Increase)/Decrease in Inventories	1,542	(3,223)
(Increase)/Decrease in other short term financial assets	(9,259)	1,218
(Increase)/Decrease in other current assets	799	(1,118)
Increase/(Decrease) in trade payables	1,596	8,281
Increase/(Decrease) in long term provisions	(1,802)	(963)
Increase/(Decrease) in short term provisions	(1,330)	1,284
Increase/(Decrease) in other liabilities	(917)	2,298
Increase/(Decrease) in other current liabilities	(857)	(657)
Cash flow generated from Operations	18,808	25,563
Income taxes paid (net of refunds)	(7,888)	(8,338)
Net Cash Flow from Operating Activities A	10,919	17,225
Cash flow from Investing Activities		
Purchase or construction of Property, plant and equipment	(3,418)	(5,081)
Purchase of Investments	(5,103)	(3,000)
Proceeds on sale of Property, plant and equipment	23	25
Proceeds on sale of Investment	—	12
Bank deposits (having original maturity of more than three months) (net)	4,754	(7,389)
Interest received	3,533	3,463
Dividend received	1,824	1,150
Net cash generated from Investing Activities B	1,613	(10,819)
Cash flow from Financing Activities		
Dividend paid (including tax on dividend)	(9,647)	(6,870)
Loans Taken	1,490	—
Loans given	(2,000)	—
Finance cost paid	(423)	(454)
Net cash used by Financing Activities C	(10,579)	(7,324)
Net cash increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	1,953	(917)
Cash and Cash Equivalents at the beginning of the year	3,106	4,023
Cash and Cash Equivalents at the end of the year	5,059	3,106
Movement in Cash Balance	1,953	(917)
Reconciliation of Cash and Cash Equivalents as per cash flow statement		
Cash and Cash Equivalents as per above comprise of the following		
Cash on hand	4	31
Balances with banks		
On current accounts	5,055	3,076
On deposits with original maturity upto 3 months	—	—
As per our report attached	5,059	3,106

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E
CA B K Dutta
Partner

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooh Thekedath

Membership No. 016175

Prabal Basu

Shyam Sundar Khuntia

Sunil Sachdeva

Kavita Bhavsar

New Delhi, 29th May, 2018

Chairman &
Managing Director

Director (Finance) &
Chief Financial Officer

Directors

Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(₹ in lakhs)

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Bonus shares issued during the year	Balance at the end of reporting period
Equity Share Capital	11,400.25	—	11,400.25

B. Other Equity

	Reserves and Surplus			Other Comprehensive Income Reserve	Total
	Share Premium Account	General reserve	Retained earnings		
Balance as at 1 April 2016	3,626.77	41,154.01	59,109.67	(246.63)	103,643.82
Profit for the year	—	—	17,041.89	—	17,041.89
Bonus shares issued	—	(8,550.19)	—	—	(8,550.19)
Dividends paid	—	—	(5,700.13)	—	(5,700.13)
Dividend Tax paid	—	—	(1,192.69)	—	(1,192.69)
Transfers	—	3,000.00	(3,000.00)	—	—
Retained earnings adjustment	—	—	(376.65)	—	(376.65)
Remeasurement gain/loss during the year	—	—	—	332.48	332.48
Balance as at 31 March 2017	3,626.77	35,603.82	65,882.08	85.85	105,198.52
Balance as at 1 April 2017	3,626.77	35,603.82	65,882.08	85.85	105,198.52
Profit for the year	—	—	18,637.72	—	18,637.72
Bonus shares issued	—	—	—	—	—
Dividends paid	—	—	(7,980.18)	—	(7,980.18)
Dividend Tax paid	—	—	(1,669.77)	—	(1,669.77)
Transfers	—	—	—	—	—
Retained earnings adjustment	—	—	(0.41)	—	(0.41)
Remeasurement gain/loss during the year	—	—	(156.21)	156.21	—
Balance as at 31 March 2018	3,626.77	35,603.82	74,713.24	242.06	114,185.89

This is the Statement of Changes in Equity referred to in our report of even date.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175

New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath

Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

Significant Accounting Policies and other explanatory information to the Standalone financial statements for the year ended 31 March 2018

GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the “Company”) is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The Company is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

Basis of Preparation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies during the period presented. The Company’s financial statements are prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lakhs of Rupees.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Company’s accounting policies.

The Standalone financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

1.2 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in- Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Plant, Property & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Plant & Machinery other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Plant and Machinery, is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found justifiable compared to the lives mentioned in Schedule II of the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	6.67 years
Office furniture, 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) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed ₹ 100,000 in each case.
- d) Contingent liabilities pertaining to various government authorities are considered only on conversion of show cause notices issued by them into demand.

1.10 Intangible assets

- a) Expenditure incurred for acquiring intangible assets like software costing ₹ 500,000 and above and license to use software per item of ₹ 25,000 and above, from which economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is earlier, from the time the intangible asset starts providing the economic benefit.
- b) Brand value arising on acquisition are recognised as an asset and are amortised on a straight line basis over 10 years.
- c) Goodwill on acquisition is not amortised but tested for impairment annually.
- d) In other cases, the expenditure is charged to revenue in the year in which the expenditure is incurred.

1.11 Accounting for Research & Development

- a) Revenue Expenditure is shown under Primary Head of Accounts with the total of such expenditure being disclosed in the Notes.
- b) Capital expenditure relating to research & development is treated in the same way as other fixed assets.

1.12 Treatment of Grant / Subsidy

- a) Revenue grant/subsidy in respect of research & development expenditure is set off against respective expenditure.
- b) Capital grant/subsidy against specific fixed assets is set off against the cost of those fixed assets.
- c) When grant/ subsidy is received as compensation for extra cost associated with the establishment of manufacturing units or cannot be related otherwise to any particular fixed assets the grant/subsidy so received is credited to capital reserve. On expiry of the stipulated period set out in the scheme of grant/subsidy the same is transferred from capital reserve to general reserve.
- d) Revenue grant in respect of organisation of certain events is shown under Sundry Income and the related expenses there against under normal heads of expenditure.

1.13 Impairment of assets

An assessment is made at each Balance Sheet date to determine whether there is an indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit using an appropriate discount factor.

1.14 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax asset ('DTA') is recognized for all deductible temporary differences, carry forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized or to the extent of taxable temporary differences except:

- Where the DTA relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

- in respect of deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint arrangements, to the extent that, and only to the extent that, it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilized.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses

and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.15 Leases

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. Where the Company is a lessee in this type of arrangement, the related asset is recognized at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognized as a finance lease liability.

The assets held under finance leases are depreciated over their estimated useful lives or lease term, whichever is lower. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital

balance and is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Lease rentals for operating leases is recognised in Profit and loss on a straight-line basis over the lease term unless the rentals are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

1.16 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

Sale of goods

When the property and all significant risks and rewards of ownership are 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 service rendered in full or part is recognised 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.
- 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

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 9% of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

1.20 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or

- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five lakhs (₹ 25 Lakhs) shall be considered as material prior period item.
- d) Retrospective restatement shall be done except to the extent that it is impracticable to determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period)

1.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175
New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath

Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
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 2017	2,398.67	3,203.81	14,102.46	15,771.79	24.25	2,448.79	696.67	1,451.44	1,440.61	535.90	238.33	368.67	42,681.39
Additions	20.74	-	1,170.75	1,446.27	5.12	454.13	140.76	428.63	370.83	85.78	-	12.07	4,135.08
Inter Asset Adjustment	-	-	(52.27)	-	-	-	-	-	-	-	-	-	(52.27)
Disposal of assets	-	-	1.51	60.07	0.30	32.65	29.38	38.76	6.86	-	-	4.27	173.80
Balance as at Mar 31 2018	2,419.41	3,203.81	15,219.43	17,157.99	29.06	2,870.27	808.05	1,841.31	1,804.58	621.68	238.33	376.47	46,590.40
Accumulated depreciation													
Balance as at 1 April 2017	-	125.94	730.76	1,463.50	18.21	585.64	150.06	608.77	273.82	148.70	41.88	267.34	4,414.61
Depreciation charge for the year	-	63.53	394.78	814.84	2.13	371.31	97.22	372.52	182.84	73.94	20.94	58.94	2,452.97
Impairment	-	-	74.92	277.58	-	18.24	0.66	0.20	9.99	-	-	-	381.59
Inter Asset Adjustment	-	-	0.84	-	-	-	-	-	-	-	-	-	0.84
Disposal of assets	-	-	1.19	45.96	0.30	27.65	18.78	38.73	2.77	-	-	4.27	139.65
Balance as at Mar 31 2018	-	189.47	1,200.11	2,509.96	20.04	947.54	229.16	942.76	463.87	222.64	62.82	322.00	7,110.37
Net block as at Mar 31 2018	2,419.41	3,014.34	14,019.32	14,648.04	9.02	1,922.73	578.89	898.55	1,340.71	399.04	175.51	54.47	39,480.03
Net block as at Mar 31 2017	2,398.67	3,077.87	13,371.70	14,308.29	6.04	1,863.15	546.61	842.67	1,166.80	387.20	196.45	101.33	38,266.78

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE NO. 3

INVESTMENT PROPERTIES

	(₹ in Lakhs)
Gross carrying amount	
Balance as at 1 April 2017	97.79
Additions	–
Disposals/adjustments	(31.65)
Balance as at 31 March 2017	66.14
Net Investment Property - Reclassified	52.27
Balance as at 31 March 2018	118.41
Accumulated Depreciation	
At 1 April 2016	–
Depreciation charge for the year	2.54
Disposals/adjustments for the year	1.72
Balance as at 31 March 2017	4.26
Depreciation charge for the year	1.45
Investment Property - reclassified	(0.84)
Balance as at 31 March 2018	4.87
Net book value as at 31 March 2017	61.88
Net book value as at 31 March 2018	113.54

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets.

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2018 or previous year ended 31 March 2017.

(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

	31 March 2018	31 March 2017
Rental income	176.13	212.73
Direct operating expenses that generated rental income	47.44	55.23
Direct operating expenses that did not generated rental income	96.79	55.27
Profit from leasing of investment properties	31.90	102.23

(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	31 March 2018	31 March 2017
Fair value	4,168.59	2,490.69

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- b) discounted cash flow projections based on reliable estimates of future cash flows.
- c) restrictions on remittance of income receipts or receipt of proceeds from disposals.
- d) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
- e) The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

NOTE NO. 4

OTHER INTANGIBLES ASSETS

(₹ in Lakhs)

	Other Intangible Assets			
	Goodwill	Softwares	Brand Value	Total
Gross carrying amount				
Balance as at 1 April 2016	689.32	548.22	332.63	880.86
Additions	–	98.02	–	98.02
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2017	689.32	646.24	332.63	978.88
Additions	–	98.94	–	98.94
Disposals/adjustments	–	0.01	–	0.01
Balance as at 31 March 2018	689.32	745.19	332.63	1,077.83
Accumulated amortisation				
Balance as at 1 April 2016	–	122.23	38.00	160.23
Amortisation charge for the year	–	151.05	38.00	189.05
Disposals/adjustments for the year	–	–	–	–
Balance as at 31 March 2017	–	273.28	76.00	349.28
Amortisation charge for the year	–	163.28	38.00	201.28
Disposals/adjustments for the year	–	–	–	–
Impairment	689.32	–	–	–
Balance as at 31 March 2018	689.32	436.56	114.00	550.56
Net book value as at 31 March 2017	689.32	372.96	256.63	629.60
Net book value as at 31 March 2018	–	308.63	218.63	527.27

NOTE NO. 5

NON CURRENT INVESTMENT

Unquoted, unless otherwise stated

Name of the Body Corporate	As at 31 March 2018		As at 31 March 2017	
	No of Shares	Amount	No of Shares	Amount
(₹ in Lakhs)				
Trade Investments				
Investment in Equity Instruments				
(Fully paid stated at Cost)				
In Joint Venture Companies				
Balmer Lawrie -Van Leer Ltd.	8,601,277	3,385.03	8,601,277	3,385.03
Ordinary Equity shares of ₹ 10 each				
Transafe Services Ltd.				
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)
(Carried in books at a value of ₹ 1 only)				
Balmer Lawrie (UAE) LLC	9,800	890.99	9,800	890.99
Shares of AED 1,000 each				
In Subsidiary Company				
Balmer Lawrie (UK) Ltd.	1,797,032	996.28	1,797,032	996.28
Ordinary Shares of GBP 1 each				
Vishakapatnam Port Logistics Park Ltd	81,038,978	8,103.90	30,010,000	3,001.00
Ordinary Shares of each ₹ 10 each				
In Associate Company				
AVI-OIL India (P) Ltd.	4,500,000	450.00	4,500,000	450.00
Equity shares of ₹ 10 each				
Investments in Preference Shares				
(Fully paid stated at Cost)				
Transafe Services Ltd.				
Cumulative Redeemable Preference shares of ₹ 10 each	13,300,000	1,330.00	13,300,000	1,330.00
Less Provision for diminution in value		(1,330.00)		(1,330.00)
Total		13,826.20		8,723.30
Other Investments				
Equity shares of ₹ 10 each				
Bridge & Roof Co. (India) Ltd. **	3,57,591	14.01	3,57,591	14.01
Biecco Lawrie Ltd **	195,900	-	195,900	-
(Carried in books at a value of ₹ 1 only)				
Woodlands Multispeciality Hospitals Ltd.	8,850	0.45	8,850	0.45
Total		14.46		14.46
Total		13,840.66		8,737.76
Aggregate amount of quoted investments at Cost		-		-
Aggregate amount of unquoted investments at cost		13,840.66		8,737.76
		13,840.66		8,737.76

**These investments are carried at fair value through Profit and Loss and their carrying value approximates their fair value.

NOTE NO. 6

NON CURRENT ASSETS

	(₹ in Lakhs)	
Financial Assets (Non-Current)	As at 31 March 2018	As at 31 March 2017
Loans		
Secured considered good		
Security Deposits		
Loans to Related Parties		
Key Managerial Persons (KMP)		
Other Loans	248.29	305.28
Unsecured considered good		
Security Deposits		
Loans to Related Parties		
Transafe Services Ltd	180.00	180.00
Other Loans		
Doubtful		
Security Deposits	-	-
Loans to Related Parties		
Balmer Lawrie Van Leer Ltd	-	1,817.92
Others to Related Parties		1,248.53
Others	8.25	-
Provision for doubtful Loans		
Security Deposits		
Loans to Related Parties	-	(1,817.92)
Others to Related Parties		(1,248.53)
Others	(8.25)	-
	428.29	485.28

(*) 11,361,999 (11,361,999) Equity Shares of Transafe Services Ltd. held by Balmer Lawrie Van Leer Ltd. have been pledged in favour of the Company as a security against Loan.

NOTE NO. 7

OTHER FINANCIAL ASSETS (NON-CURRENT)

	(₹ in Lakhs)	
	As at 31 March 2018	As at 31 March 2017
Accrued Income		
Security Deposits	496.06	448.16
Other Receivables	58.55	52.93
Dues from Related Parties - Doubtful		
Transafe Services Ltd	80.87	80.87
Less : Provision	(80.87)	(80.87)
	554.61	501.09

NOTE NO. 8
DEFERRED TAX

	As at 31 March 2018	As at 31 March 2017
(₹ in Lakhs)		
Deferred tax liability arising on account of :		
Property, plant and equipment	(5,089.96)	(4,934.02)
Deferred tax asset arising on account of :		
Adjustment for VRS expenditure	299.05	487.75
Provision for loans, debts, deposits & advances	2,135.48	2,346.99
Defined benefit plans	718.82	1,902.61
Provision for Inventory	122.81	135.26
Provision for dimunition in investment	863.17	863.51
Impairment of assets	132.06	-
Others	-	-
	<u>(818.57)</u>	<u>802.10</u>

Movement in Deferred Tax Liabilities

Particulars	31 March 2017	Recognised in profit and loss	Recognised in Other Comprehensive Income	31 March 2018
Property, plant and equipment	(4,934.02)	(155.94)	-	(5,089.96)
Adjustment for VRS expenditure	487.75	(188.70)	-	299.05
Provision for loans, debts, deposits & advances	2,346.99	(211.51)	-	2,135.48
Defined benefit plans	1,902.61	(1,101.12)	(82.67)	718.82
Provision for Inventory	135.26	(12.45)	-	122.81
Provision for dimunition in investment	863.51	(0.34)	-	863.17
Impairment of assets	-	132.06	-	132.06
Others	-	-	-	-
	<u>802.10</u>	<u>(1,538.00)</u>	<u>(82.67)</u>	<u>(818.57)</u>

NOTE NO. 9
NON FINANCIAL ASSETS (NON - CURRENT)

	As at 31 March 2018	As at 31 March 2017
(₹ in Lakhs)		
Capital Advances	88.11	100.08
Balances with Government Authorities	263.13	230.37
Prepaid Expenses	3,026.88	3,250.06
Others	101.88	134.65
	<u>3,480.00</u>	<u>3,715.16</u>

NOTE NO. 10 INVENTORIES

(₹ in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Raw Materials and components	8,556.08	8,846.73
Goods-in-transit	1.00	1.01
Slow Moving & Non moving	175.09	241.97
Less: Adjustment for Slow & Non moving	(131.12)	(161.64)
Total - Raw Materials and components	8,601.05	8,928.07
Work in Progress	1,286.44	1,097.87
Slow Moving & Non moving	1.38	14.49
Less: Adjustment for Slow & Non moving	(0.75)	(7.70)
Total - Work in Progress	1,287.07	1,104.66
Finished goods	2,933.91	4,125.57
Goods-in transit	114.22	270.49
Slow Moving & Non moving	150.58	220.03
Less: Adjustment for Slow & Non moving	(91.31)	(127.09)
Total - Finished Goods	3,107.40	4,489.00
Stores and spares	625.03	620.85
Slow Moving & Non moving	174.44	121.47
Less: Adjustment for Slow & Non moving	(131.67)	(94.41)
Total - Stores & Spares	667.80	647.91
Total	13,663.32	15,169.64

[Refer to Point No.1.5 of "Significant Accounting Policies" for method of valuation of inventories]

NOTE NO. 11 TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Trade Receivables outstanding for a period less than six months		
Secured, considered good		
Unsecured, considered good	25,094.08	25,727.66
Unsecured, considered doubtful	4.64	1.61
Less: Provision for doubtful debts	(4.64)	(1.61)
	25,094.08	25,727.66
Trade Receivables outstanding for a period exceeding six months		
Secured, considered good		
Unsecured, considered good	2,033.25	2,432.89
Unsecured, considered doubtful	804.98	601.18
Less: Provision for doubtful debts	(804.98)	(601.18)
	2,033.25	2,432.89
Total	27,127.33	28,160.55

NOTE NO. 12

CASH AND CASH EQUIVALENTS

	As at 31 March 2018	(₹ in Lakhs) As at 31 March 2017
Cash in hand	3.74	30.74
Cheques in hand	—	—
Balances with Banks - Current Account	5,055.33	3,075.74
Total	5,059.07	3,106.48

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

NOTE NO. 13

OTHER BANK BALANCES

Unclaimed Dividend Accounts	234.67	231.86
Bank Term Deposits	42,703.13	47,457.35
Margin Money deposit with Banks	69.76	69.70
Total	43,007.56	47,758.91

NOTE NO. 14

FINANCIAL ASSETS (CURRENT)

Loans			
Secured considered good			
Security Deposits			
Loans to Related Parties			
Other Loans (Employees)		85.01	84.38
Unsecured considered good			
Security Deposits			
Advances to Related Parties *			
Balmer Lawrie Investments Ltd.	—	7.46	
Pt. Balmer Lawrie Indonesia	31.33	27.64	
Balmer Lawrie Van Leer Ltd.	—	5.18	
Transafe Services Ltd.	86.76	67.03	
Visakhapatnam Port Logistics Park Ltd.	2,035.29	52.57	
Balmer Lawrie UAE Ltd.	51.33	36.66	
		2,204.71	196.54
Other Loans and advances (Employees)		19.61	30.83
Other Loans and advances		158.04	127.36
		2,467.37	439.11

* Advances to related parties are in the course of regular business transactions

NOTE NO. 15

OTHER FINANCIAL ASSETS (CURRENT)

	As at 31 March 2018	As at 31 March 2017
Unsecured		
Accrued Income	2,240.70	1,900.75
Security Deposits	810.36	819.39
Other Receivables -considered good	24,119.72	18,034.77
Other Receivables - considered doubtful	2,219.34	2,366.32
Less - Provision for doubtful receivables	(2,219.34)	(2,366.32)
	27,170.78	20,754.91

NOTE NO. 16

NON FINANCIAL ASSETS (CURRENT)

	As at 31 March 2018	As at 31 March 2017
Balances with Government Authorities	1,188.48	2,022.71
Prepaid Expenses	783.53	653.08
Advances to Contractors & Suppliers -Good	1,706.64	1,813.61
Advances to Contractors & Suppliers -Doubtful	823.85	665.22
Less : Provision for Doubtful Advances	(823.85)	(665.22)
Other Advances to related parties	311.95	600.00
Others	2,950.02	2,652.93
	6,940.62	7,742.33

NOTE NO. 17

EQUITY SHARE CAPITAL

	As at 31 March 2018	As at 31 March 2017
Authorised capital		
120,000,000 (previous year 60,000,000) equity shares of ₹ 10 each	12,000.00	12,000.00
	12,000.00	12,000.00
Issued and Subscribed Capital		
114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each	11,400.25	11,400.25
Paid-up Capital		
114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each	11,400.25	11,400.25
	11,400.25	11,400.25

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	114,002,564	11,400.25	28,500,641	2,850.06
Bonus shares issued during the year	—	—	85,501,923	8,550.19
Equity shares at the end of the year	114,002,564	11,400.25	114,002,564	11,400.25

b) **Rights/preferences/restrictions attached to equity shares**

The Company has one class of equity shares having a par value of 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

	As on 31 March 2018		As on 31 March 2017	
	No of shares	% holding	No of shares	% holding
Equity shares of ₹ 10 each fully paid up Balmer Lawrie Investment Ltd.	70,452,900	61.80%	70,452,900	61.80%

i) There are no other individual shareholders holding 5% or more in the issued share capital of the Company.

NOTE NO. 18

OTHER EQUITY

	As at 31 March 2018	As at 31 March 2017
		(₹ in Lakhs)
Share Premium Reserve	3,626.77	3,626.77
General Reserve	35,603.82	35,603.82
Retained Earnings	74,713.24	65,882.08
Other Comprehensive Income Reserve	242.06	85.85
Total Reserve	114,185.89	105,198.52
	For the year 31 March 2018	For the year 31 March 2017
Share Premium Reserve		
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	41,154.01
Less : Bonus Shares issued	—	(8,550.19)
Amount transferred from retained earnings	—	3,000.00
Sub total (B)	35,603.82	35,603.82
Retained Earnings		
Opening balance	65,882.08	59,109.67
Add : Net profit for the year	18,637.72	17,041.89
Less : Appropriations		
Transfer to general reserve	—	(3,000.00)
Equity dividend	(7,980.18)	(5,700.13)
Tax on equity dividend	(1,669.77)	(1,192.69)
Re-measurement Gain/Loss	(156.21)	—
Other adjustment	(0.41)	(376.65)
Net surplus in Retained Earnings (C)	74,713.24	65,882.08

Other Comprehensive Income (OCI) Reserve

Opening balance	85.85	(246.63)
Movement	156.21	332.48
Sub total (D)	242.06	85.85
Total (A+B+C+D)	114,185.89	105,198.52
Total Reserves - 2018		114,185.89
Total Reserves - 2017		105,198.52

Nature and purpose of Other Reserves

Share Premium Reserve

Share Premium Reserve represents premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Other Comprehensive Income (OCI) Reserve

- (i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.
- (ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income

NOTE NO. 19

NON CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Financial Liabilities (Non - Current)		
Borrowings	1,115.99	—
Trade Payable		
Other Financial Liabilities		
Deposits	49.82	21.85
Other Liabilities	—	
	1,165.81	21.85

The Company has availed Term Loan of ₹ 15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 equal instalments starting from 18 months from the date of first drawal.

NOTE NO. 20

PROVISIONS (NON - CURRENT)

(₹ in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Actuarial Provision	1,942.85	3,391.40
Long term Provisions	1,834.63	2,187.90
	3,777.48	5,579.30

(₹ in Lakhs)

NOTE NO. 21
NON FINANCIAL LIABILITIES (NON - CURRENT)

	As at 31 March 2018	As at 31 March 2017
Advances from Customers	3.55	3.55
Others	3.51	0.57
	7.06	4.12

NOTE NO. 22
FINANCIAL LIABILITIES (CURRENT)

Borrowings	374.35	—
Trade Payable		
Payable to MSME	199.31	94.45
Other Trade Payable	32,079.79	30,617.11
	32,279.10	30,711.56

Borrowings refer details given in Note 19

NOTE NO. 23
OTHER FINANCIAL LIABILITIES

Unclaimed Dividend *	234.67	231.86
Security Deposits	2,407.92	2,409.60
Other Liabilities	9,303.22	10,424.06
	11,945.81	13,065.52

* There is no amount due and outstanding as at Balance Sheet date to be credited to Investor Education and Protection Fund

NOTE NO. 24
NON FINANCIAL LIABILITIES (CURRENT)

Advance from Customers	1,247.06	976.85
Statutory Dues	561.34	1,759.17
Deferred Gain/Income	181.66	2.50
Other Liabilities	3,958.08	4,067.11
	5,948.14	6,805.63

(₹ in Lakhs)

**NOTE NO. 25
CURRENT PROVISION**

	As at 31 March 2018	As at 31 March 2017
Actuarial Provision	341.39	350.64
Short term Provisions	162.94	1,640.24
	504.33	1,990.88

**NOTE NO. 26
CURRENT TAX LIABILITIES**

Provision for Taxation (Net of advance)	2,778.19	4,574.57
	2,778.19	4,574.57

**NOTE NO. 27
REVENUE FROM OPERATIONS**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of Products	103,544.77	105,334.07
Sale of Services	66,130.07	71,523.95
Sale of Trading Goods	714.68	1,148.67
Other Operating Income	5,531.34	4,801.56
Total	175,920.86	182,808.25

**NOTE NO. 28
OTHER INCOME**

Interest Income		
Bank Deposits	2,747.18	3,484.80
Others	138.95	251.02
	2,886.13	3,735.82
Dividend Income	2,059.21	1,777.54
Other Non-operating Income		
Profit on Disposal of Fixed assets	14.04	5.13
Unclaimed balances and excess provision written back	1,389.06	896.59
Gain on Foreign Currency Transactions (net)	265.80	447.26
Miscellaneous Income	479.22	446.89
Other Non-operating Income	2,148.12	1,795.87
Total	7,093.46	7,309.23

(₹ in Lakhs)

NOTE NO. 29

**COST OF MATERIALS CONSUMED
& SERVICES RENDERED**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cost of Materials Consumed	68,601.55	63,615.21
Cost of Services Rendered	37,148.17	43,325.65
Total	105,749.72	106,940.86

NOTE NO. 30

PURCHASE OF TRADING GOODS

Trading Goods	712.43	1,148.67
Total	712.43	1,148.67

NOTE NO. 31

**CHANGES IN INVENTORIES OF TRADING GOODS,
WORK-IN-PROGRESS AND FINISHED GOODS**

Change in Work In Progress		
Opening	1,104.66	1,075.82
Closing	1,287.07	1,104.66
Change	(182.41)	(28.84)
Change in Finished Goods		
Opening	4,489.00	4,479.40
Closing	3,107.40	4,489.00
Change	1,381.60	(9.60)
Total	1,199.19	(38.44)

NOTE NO. 32

EMPLOYEE BENEFIT EXPENSES

Salaries and Incentives	16,053.86	15,091.39
Contributions to Provident & Other Funds	2,266.96	3,350.98
Staff Welfare Expenses	1,478.60	1,494.16
Total	19,799.42	19,936.53

**NOTE NO. 33
FINANCE COSTS**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Cost	288.61	322.44
Bank Charges*	134.05	131.22
Total	422.66	453.66

* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

**NOTE NO. 34
DEPRECIATION & AMORTISATION EXPENSES**

Depreciation		
Property Plant & Equipment	2,452.97	2,393.70
Investment Properties	1.45	1.72
Amortisation of Intangible Assets	201.28	189.05
Total	2,655.70	2,584.47

**NOTE NO. 35
OTHER EXPENSES**

Manufacturing Expenses	1,493.78	1,437.15
Consumption of Stores and Spares	896.69	841.90
Excise duty on Closing Stock (Refer Note no. 40.17)	—	103.87
Repairs & Maintenance - Buildings	611.36	634.73
Repairs & Maintenance - Plant & Machinery	367.64	375.13
Repairs & Maintenance - Others	571.95	539.72
Power & Fuel	2,342.02	2,341.49
Electricity & Gas	406.82	370.32
Rent	1,043.64	1,074.25
Insurance	249.90	205.55
Packing, Despatching, Freight and Shipping Charges	4,484.51	3,920.07
Rates & Taxes	111.23	139.25
Auditors Remuneration and Expenses	23.58	22.61
Impairment of assets	1,070.91	—
Write Off of Debts ,Deposits, Loan & Advances	3,098.92	544.08
Provision for Doubtful Debts & Advances	1,132.84	1,554.72
Fixed Assets Written Off	16.05	0.91

	For the year ended 31 March 2018	(₹ in Lakhs) For the year ended 31 March 2017
Loss on Disposal of Fixed Assets	9.37	1.77
Selling Commission	680.03	583.11
Cash Discount	309.27	285.48
Travelling Expenses	963.02	1,012.82
Printing and Stationary	231.66	223.77
Motor Car Expenses	153.61	142.84
Communication Charges	328.08	420.28
Corporate Social Responsibility Expenses	438.34	412.70
Miscellaneous Expenses	4,997.64	4,562.42
	26,032.86	21,750.94
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back	(2,973.11)	(241.95)
Total	23,059.75	21,508.99

NOTE NO. 36
TAX EXPENSE

Current tax	7,371.00	9,301.00
Deferred tax	1,538.00	(481.99)
Prior period	(1,279.00)	(450.00)
	7,630.00	8,369.01

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 34.608% and the reported tax expense in profit or loss are as follows :

Accounting profit before income tax	26,111.51	25,410.9
At country's statutory income tax rate of 34.608% (31 March 2018 and 2017: 34.608%)	34.608%	34.608%
Tax Expense	9,036.67	8,794.20
Adjustments in respect of current income tax		
Exempt Dividend Income	(129)	(113)
Foreign Dividend Income, taxed at a different rate	(292)	(251)
Non-deductible expenses for tax purposes		
Provisions (net)	(481)	1,171
CSR Expenses	152	143
Gratuity Liability of previous year paid in current year	(653)	—
VRS Expenses	(189)	(142)
Depreciation Difference	(52)	(272)

(₹ in Lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Impairment of asset	132	—
Additional Deduction for R&D expenses in I Tax	(154)	(30)
Adjustments in respect of Previous years income tax	(1,279)	(450)
	<u>6,092</u>	<u>8,851</u>

**NOTE NO. 37
OTHER COMPREHENSIVE INCOME**

(A) Items that will not be reclassified to profit or loss

(i) Re-measurement gains/ (losses) on defined benefit plans	238.88	131.28
Income tax effect	(82.67)	(45.43)
(ii) Net (loss)/gain on Fair Value		
Through Other Comprehensive Income		
Income tax effect		
	<u>156.21</u>	<u>85.85</u>

(B) Items that will be reclassified to profit or loss

	<u>—</u>	<u>—</u>
	<u>156.21</u>	<u>85.85</u>

**NOTE NO. 38
EARNINGS PER EQUITY SHARE**

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Face value of the shares is ₹ 10.

Net profit attributable to Equity shareholders

Profit after tax	18,481.51	17,041.89
------------------	-----------	-----------

Profit attributable to Equity holders of the parent adjusted for the effect of dilution

	<u>18,481.51</u>	<u>17,041.89</u>
--	------------------	------------------

Nominal value of Equity share (₹)	10	10
-----------------------------------	----	----

Weighted-average number of Equity shares for basic EPS	114,002,564	114,002,564
--	-------------	-------------

Basic/Diluted earnings per share (₹)	16.21	14.95
--------------------------------------	-------	-------

NOTE NO. 39

ACCOUNTING FOR EMPLOYEE BENEFITS

Defined Contribution Plans

The disclosures are made consequent to adoption of Ind AS 19 on Employee Benefits, issued by the Institute of Chartered Accountants of India, by the Company. Defined Benefit / Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain /loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1,141.58 lakhs (₹ 976.18 lakhs); Superannuation fund ₹ 602.96 lakhs (₹ 474.73 lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 22.26 lakhs (₹13.24 lakhs).

Defined Benefit Plans**Post Employment Benefit Plans****A. Gratuity**

The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the company by way of transfer of requisite amount to the fund.

The reconciliation of the Company's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below: (₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17
Defined benefit obligation	5,531.35	5,835.57
Fair value of plan assets	5,508.91	4,023.43
Net defined benefit obligation	22.44	1,812.14

- (i) The movement of the Company's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Opening value of defined benefit obligation	5,835.57	4,373.01
Add: Current service cost	326.51	322.14
Add: Current interest cost	437.68	300.03
Plan amendment : Vested portion at end of period(past service)	—	1,519.83
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	—	—
- changes in experience adjustment	(147.36)	(409.54)
- changes in financial assumptions	(219.42)	244.99
Less: Benefits paid	(701.64)	(514.88)
Closing value of defined benefit obligation	5,531.35	5,835.57
Thereof-		
Unfunded	22.44	1,812.14
Funded	5,508.91	4,023.43

- (ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Discount rate (per annum)	7.98%	7.29%
Rate of increase in compensation levels/Salary growth rate	6.00%	6.00%
Expected average remaining working lives of employees (years)	12	11

(₹ in Lakhs)

- (iii) The reconciliation of the plan assets held for the Company's defined benefit plan from beginning to end of reporting period is presented below:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Opening balance of fair value of plan assets	4,023.43	4,145.66
Add: Contribution by employer	1,887.22	—
Return on Plan Assets excluding Interest Income	(21.17)	90.43
Add: Interest income	321.07	302.22
Less: Benefits paid	(701.64)	(514.88)
Closing Balance of Fair Value of Plan Assets	5,508.91	4,023.43

- (iv) Expense related to the Company's defined benefit plans in respect of gratuity plan is as follows:

Amount recognised in Other comprehensive Income	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Actuarial (gain)/loss on obligations-change in demographic assumptions	—	—
Actuarial (gain)/loss on obligations-change in financial assumptions	(219.42)	244.99
Actuarial (gain)/loss on obligations-Experience Adjustment	(147.36)	(409.54)
Return on Plan Assets excluding Interest Income	(21.17)	90.43
Total expense recognized in the statement of Other Comprehensive Income	(345.61)	(254.98)

Amount recognised in statement of Profit & Loss	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Current service cost	326.51	322.14
Past service cost(vested)	—	1,519.83
Net Interest cost(Interest Cost-Expected return)	116.61	(2.19)
Total expense recognized in the statement of Profit & Loss	443.13	1,839.77

Amount recognised in Balance Sheet	As at 31-Mar-18	As at 31-Mar-17
Defined benefit obligation	5,531.35	5,835.57
Classified as:		
Non-current	4,771.63	5,310.21
Current	759.72	525.36

(₹ in Lakhs)

	As at 31-Mar-18	As at 31-Mar-17
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	299.90	392.65

- (v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets can be broken down into the following major categories of investments:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Government of India securities/ State Government securities	46.30%	40.81%
Corporate bonds	47.59%	53.01%
Others	6.11%	6.18%
Total Plan Assets	100.00%	100.00%

(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 2018	
	Increase	Decrease
Changes in Discount rate in %	0.5	0.5
Defined benefit obligation after change	5,382	5,689
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	(149)	157

Changes in Salary growth rate in %	0.5	0.5
Defined benefit obligation after change	5,625	5,441
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	93	(90)

Changes in Attrition rate in %	0.5	0.5
Defined benefit obligation after change	5,535	5,528
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	4	(4)

Changes in Mortality rate in %	10	10
Defined benefit obligation after change	5,561	5,501
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	30	(30)

(₹ in Lakhs)

Particulars	31-March-17	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	5,661	6,020
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	(174)	184
Changes in Salary growth rate in %	0.50	0.50
Defined benefit obligation after change	5,944	5,731
Original defined benefit obligation	5,836	5,836
Original defined benefit obligation	108	(105)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	5,835	5,836
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	(1)	1
Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	5,839	5,832
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	4	(4)

B. Post retirement medical benefits scheme (Non-funded)

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependant spouse, parents and children as per applicable rules.

(₹ in Lakhs)

Particulars	31-Mar-18	31-Mar-17
Opening value of defined benefit obligation	348.71	328.98
Add: Current service cost		
Add: Current interest cost	23.73	19.48
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	—	—
- changes in experience adjustment	127.47	103.87
- changes in financial assumptions	(20.74)	19.84
Less: Benefits paid	(102.57)	(123.46)
Closing value of defined benefit obligation	376.60	348.71
Thereof-		
Unfunded	376.60	348.71
Funded	—	—

(₹ in Lakhs)

Amount recognised in OCI	31-Mar-18	31-Mar-17
Actuarial (gain)/loss on obligations-change in demographic assumptions	—	—
Actuarial (gain)/loss on obligations-change in financial assumptions	(20.74)	19.84
Actuarial (gain)/loss on obligations-Experience Adjustment	127.47	103.87
Total expense recognized in the statement of Other Comprehensive Income	106.73	123.71

Amount recognised in statement of Profit & Loss	31-Mar-18	31-Mar-17
Current service cost	—	—
Net Interest cost (Interest Cost-Expected return)	24	19
Total expense recognized in the Statement of Profit & Loss	24	19

Assumptions	31-Mar-18	31-Mar-17
Discount rate (per annum)	7.98%	7.29%
Superannuation age	60	60
Early retirement & disablement	1.00%	1.00%

Amount recognised in Balance Sheet	31-Mar-18	31-Mar-17
Defined benefit obligation	376.60	348.71
Classified as:		
Non-Current	316.78	293.80
Current	59.82	54.91

Sensitivity Analysis

Particulars	31-Mar-18	
	Increase	Decrease
Changes in Discount rate in %	0.5	0.5
Defined benefit obligation after change	365	387
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(11)	11

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	368	383
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(8)	6

Particulars	31-Mar-17	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	338	338
Original defined benefit obligation	349	349
Increase/(decrease) in defined benefit obligation	(11)	(11)

(₹ in Lakhs)

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	342	354
Original defined benefit obligation	349	349
Increase/(decrease) in defined benefit obligation	(7)	5

C. Other long term benefit plans

Leave encashment (Non-funded), long service award(Non-funded)and half pay leave (Nonfunded)

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. Amount of ₹ 603.51 Lakhs [₹ (-) 24.76 Lakhs] has been recognised in the statement of Profit and Loss.

Leave encashment (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	190.78	195.50
Amount recognized in Balance Sheet – Non Current	760.36	2,254.70

Long service award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 years of service and there after every 5 years of completed service. Amount of ₹ (-)37.60 Lakhs [₹ (-) 37.07 Lakhs] has been recognised in the statement of Profit and Loss.

Long service award (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	41.26	58.56
Amount recognized in Balance Sheet – Non Current	351.83	372.14

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ 50.96 Lakhs (₹ 110.81 Lakhs) has been recognised in the statement of Profit and Loss.

Half pay Leave (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	49.52	41.68
Amount recognized in Balance Sheet – Non Current	513.88	470.76

NOTE NO. 40

ADDITIONAL DISCLOSURES

- 40.1 (a) Conveyance deeds of certain Leasehold land costing ₹ 2,541.35 lakhs (₹. 2,598.32 lakhs) and buildings, with written down value of ₹ 3,040.20 lakhs (₹. 3,008.07 lakhs) are pending registration / mutation.
- (b) Certain buildings & sidings with written down value of ₹. 6,662.84 lakhs (₹. 6,772.63 lakhs) are situated on leasehold/rented land. Some of the leases with Kolkata Port trust have expired and are under renewal. Action has been taken for finalizing the agreements with Kolkata Port Trust for renewal of such pending cases.
- 40.2 Contingent Liabilities as at 31st March, 2018 not provided for in the accounts are:
- (a) Disputed demand for Excise Duty, Income Tax, Sales Tax, Provident Fund and Service Tax amounting to ₹. 10,918.67 lakhs (₹. 11,465.40 lakhs) against which the Company has lodged appeal/petition before appropriate authorities. Details of such disputed demands as on 31st March, 2018 are given in Annexure – A.
- (b) Claims against the company not acknowledged as debts amounts to ₹. 893.17 lakhs (₹. 913.73 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.
- 40.3 Counter guarantees given to Standard Chartered Bank, Bank of Baroda, Canara Bank, Vijaya Bank, Yes Bank and Indusind Bank in respect of guarantees given by them amounts to ₹. 7,365.88 lakhs (₹. 8,556.77 lakhs).
- 40.4 Estimated amount of contract remaining to be executed on Capital Accounts and not provided for [net of advances paid – ₹ 88.11 lakhs (₹. 100.08 lakhs)] amounted to ₹. 1,928.55 lakhs (₹. 379.53 lakhs).
- 40.5 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are Outstanding for more than 45 days at the Balance Sheet date.
- 40.6 The net amount of exchange difference debited to Statement of Profit & Loss is ₹ 12.84 lakhs [Credited ₹. 365.10 lakhs].
- 40.7 Trade receivables, loans and advances and deposits for which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.
- 40.8 Remuneration of Chairman & Managing Director, Whole time Directors and Company Secretary:

(₹ in Lakhs)

	2017-18	2016-17
Salaries	328.07	183.38
Contribution to Provident and Gratuity Fund	34.31	27.63
Perquisites	18.83	22.03
	381.21	233.04

40.9 Auditors' remuneration and expenses :

	(₹ in Lakhs)	
	For the year ended 2017-18	For the year ended 2016-17
Statutory Auditors		
- Audit Fees	5.78	5.00
- Tax Audit Fees	0.85	0.70
- Other Capacity for Limited Review and Other certification jobs	2.10	1.81
Branch Auditors		
- Audit Fees	13.13	11.29
- Other Capacity	—	—
- Expenses relating to audit of Accounts	1.73	3.81
	23.58	22.61

40.10 (a) Stock & Sale of Goods Manufactured (with own materials) :

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	3,696.74 (3,715.88)	2,548.44 (3,696.74)	40,139.65 (44,506.53)
Barrels and Drums	616.06 (514.83)	456.59 (616.06)	54,788.05 (52,600.29)
Leather Auxiliaries	176.20 (248.69)	102.37 (176.20)	6,480.73 (6,552.00)
Others including Manufacturing Scrap	— (—)	— (—)	2,136.34 (1,489.39)
	4,489.00 (4,479.40)	3,107.40 (4,489.00)	1,03,544.77 (1,05,148.21)

40.10 (b) Stock & Sale of Goods Manufactured (with customers' materials) :

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	— (—)	— (—)	— (185.86)
	— (—)	— (—)	— (185.86)

(₹ in Lakhs)

40.10 (c) Work in Progress

	Value
Greases and Lubricating Oils	225.25 (397.48)
Barrels and Drums	946.98 (574.83)
Leather Auxiliaries	114.84 (132.35)
	1,287.07 (1,104.66)

40.11 Analysis of Raw Materials Consumed (excluding materials supplied by Customers)

	Value
Steel	36,420.39 (30,754.09)
Lubricating Base Oils	13,655.99 (12,929.83)
Additives and other Chemicals	7,340.35 (9,593.37)
Vegetable and Other Fats	2,177.14 (2,099.68)
Drum Closures	1,967.35 (1,801.79)
Paints	1,130.99 (1,139.03)
Paraffin Wax	803.96 (690.22)
Others	5,105.38 (4,607.20)
	68,601.55 (63,615.21)

40.12 Value of Raw Materials, Components and Spare Parts consumed :

	2017-18		2016-17	
	(₹ in Lakhs)	(%)	(₹ in Lakhs)	(%)
Raw Materials				
Imported	2,784.00	4.06	4,210.86	6.62
Indigenous	65,817.55	95.94	59,404.35	93.38
	68,601.55	100.00	63,615.21	100.00
Spares & Components				
Imported	173.59	19.36	160.87	19.11
Indigenous	723.10	80.64	681.03	80.89
	896.69	100.00	841.90	100.00

(₹ in Lakhs)

40.13 Purchase and Sale of Trading Goods :

Class of Goods

Bunk Houses

	2017-18	2016-17
	Purchase Value	Sale Value
	712.43	714.68
	(1,148.67)	(1,148.67)
	712.43	714.68
	(1,148.67)	(1,148.67)

40.14 (a) Value of Imports on C.I.F basis :

Raw Materials

Components and Spare Parts

Capital Goods

Trading Goods

	1,651.43	1,427.13
	136.41	123.22
	123.96	18.95
	75.08	—
	1,986.88	1,569.30

40.14 (b) Expenditure in Foreign Currency:

Services

Others

	17,127.59	17,277.33
	100.98	67.77
	17,228.57	17,345.10

40.14 (c) Earnings in Foreign Currency:

Export of Goods and Components
calculated on F.O.B basis as invoiced

Interest and Dividend

Services

Freight, Insurance, Exchange Gain
and Miscellaneous Items

	1,927.33	1,120.48
	1,470.73	847.66
	6,681.12	7,578.51
	3.70	66.13
	10,082.88	9,612.78

Earnings from services exclude deemed exports Nil (NIL).

40.15 Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below. (₹ in Lakhs)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Capital Expenditure	106.79	30.41	51.35	256.88	76.49
Revenue Expenditure	628.87	529.29	543.32	604.53	610.03

40.16 Excess Income Tax provision in respect of earlier years amounting to ₹ 1,279 Lakhs (₹. 450 Lakhs) has been reversed in the current year.

40.17 The amount of Excise duty included in the amount of “Sale of Products” in Note 27 is relatable to Sales made during the period 1st April, 2017 and 30th June, 2017. With the introduction of GST with effect from 1st July 2017 excise duty has been subsumed in GST resulting in NIL value in Note 35 – “Other Expenses” related to the closing stock. Consequent to the same the turnover and finished goods figures are not comparable.

40.18 Loans and Advances in the nature of loans to Subsidiary / Joint Ventures / Associates

The company does not have any Loans and Advances in the nature of Loans provided to its Subsidiary / Joint Venture Companies / Associates as at the year end except as is disclosed in Note 40.19 below.

40.19 Related Party Disclosure

i) Name of Related Party	Nature of Relationship
Balmer Lawrie Investments Ltd. (BLIL)	Holding Company
Balmer Lawrie (U.K.) Ltd.	Wholly owned Subsidiary
Visakhapatnam Port Logistics Park Ltd	Subsidiary
Transafe Services Ltd	Joint Venture
Balmer Lawrie - Van Leer Ltd.	Joint Venture
Balmer Lawrie (UAE) Llc.	Joint Venture
Avi - Oil India (P) Ltd.	Associate
Balmer Lawrie Hind Terminals Pvt. Ltd.	Joint Venture (Liquidation completed on 20th Oct 2016)
PT Balmer Lawrie Indonesia	Joint Venture of Balmer Lawrie (UK) Ltd.
Shri Prabal Basu, Chairman and Managing Director	Key Management Personnel
Ms Manjusha Bhatnagar Director (HR & CA)	Key Management Personnel (Superannuated on 01.02.2018)
Shri D. Sothi Selvam, Director (Manufacturing Business)	Key Management Personnel
Shri K Swaminathan, Director (Service Business)	Key Management Personnel
Shri S S Khuntia, Director (Finance)	Key Management Personnel
Ms Indrani Kaushal (Govt Nominee director)	Key Management Personnel (w.e.f 27.12.2016 till 27.12.2017)
Ms Atryee Borooh Thekedath (Independent Director)	Key Management Personnel (w.e.f 13.12.2017)
Shri Vijay Sharma (Govt Nominee director)	Key Management Personnel (w.e.f 15.01.2018)
Shri Sunil Sachdeva (Independent Director)	Key Management Personnel (w.e.f 18.09.2017 till 01.02.2018)
Ms Kavita Bhavsar , Company Secretary	Key Management Personnel

ii) Notes on Accounts - (Contd.)

Transactions with Related Parties

(₹ in Lakhs)

	Type of Transaction	Year Ending	Holding Company	Subsidiary	Joint Ventures	Key Management Personnel	TOTAL
a)	Sale of Goods	31/03/18	-	-	11.72	-	11.72
		31/03/17	-	-	7.86	-	7.86
b)	Purchase of Goods	31/03/18	-	-	2,218.36	-	2,218.36
		31/03/17	-	-	3,203.32	-	3,203.32
c)	Value of Services Rendered	31/03/18	36.00	185.34	965.98	-	1187.32
		31/03/17	36.00	52.57	843.39	3.82	935.79
d)	Value of Services Received	31/03/18	-	-	258.61	-	258.61
		31/03/17	-	-	948.72	-	948.72
e)	Remuneration to Key Managerial Personnel	31/03/18	-	-	-	381.21	381.21
		31/03/17	-	-	-	233.04	233.04
f)	Income from leasing or hire purchase agreement	31/03/18	-	-	1.08	-	1.08
		31/03/17	-	-	1.08	-	1.08
g)	Purchase of Fixed Assets	31/03/18	-	-	-	-	-
		31/03/17	-	-	10.44	-	10.44
h)	Investment in shares as on	31/03/18	-	9,100.18	4,726.02	-	13,826.20
		31/03/17	-	3,997.28	4,726.02	-	8,723.30
i)	Loans given as on	31/03/18	-	2,000.00	491.95	-	2,491.95
		31/03/17	-	-	780.00	-	780.00
j)	Dividend Income	31/03/18	-	-	2,056.02	-	2,056.02
		31/03/17	-	-	1,777.54	-	1,777.54
k)	Dividend Paid	31/03/18	4,931.70	-	-	-	4,931.70
		31/03/17	3,522.65	-	-	-	3,522.65
l)	Interest Income	31/03/18	-	35.24	127.79	-	163.03
		31/03/17	-	-	207.84	-	207.84
m)	Amount received on a/c. of salaries, etc. of Employees deputed or otherwise	31/03/18	9.83	-	109.39	-	119.23
		31/03/17	7.91	-	107.17	-	115.08
n)	Net outstanding recoverable as on	31/03/18	11.08	2,035.29	2,455.91	-	4,502.28
		31/03/17	8.04	80.21	1,854.94	-	1,943.19
o)	Net outstanding payable as on	31/03/18	-	-	498.18	-	498.18
		31/03/17	-	-	418.54	-	418.54
p)	Provision for advances/ investments	31/03/18	-	-	2,495.12	-	2,495.12
		31/03/17	-	-	5,458.33	-	5,458.33
q)	Share of margin towards business operation	31/03/18	-	-	13.06	-	13.06
		31/03/17	-	-	25.60	-	25.60

40.20 **Segment Reporting**

Information about business segment for the year ended 31st March, 2018 in respect of reportable segments as defined by the Institute of Chartered Accountants of India in the IND AS – 108 in respect of “Operating Segments ” is attached in Note 41.

40.21 **Disclosure of Interests in Joint Venture and Associate Companies**

Name of Joint Venture Company	Proportion of Shareholding	Country of Incorporation
Balmer Lawrie (UAE) Llc.	49%	United Arab Emirates
Balmer Lawrie Van Leer Ltd	48%	India
Transafe Services Ltd.	50%	India
Name of Associate Company		
Avi Oil India (P) Ltd.	25%	India

Avi Oil India (P) Ltd. is classified as associate on the basis of the shareholding pattern which leads to significant influence over them by the Company. Further, in Balmer Lawrie (UAE) LLC, Balmer Lawrie Van Leer Ltd 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.

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 ₹ 608.87 lakhs (₹ 359.60 lakhs).

With the adoption of Ind AS by the company and its group companies, the consolidation of individual line items under proportionate consolidation method being followed earlier under previous GAAP has been discontinued. Under the equity method as prescribed in Ind AS, the net assets of the group companies are shown as an increase in equity with corresponding increase in value of Investments in the parent company’s books. Hence the disclosure for aggregate amounts of each of the assets, liabilities, income and expenses related to the interests in the Joint Venture and associate companies are no longer relevant.

40.22 **Cost of Services is comprised of :**

(₹ in Lakhs)

	2017-18	2016-17
Air / Rail travel costs	1,683.33	1,124.58
Air / Ocean freight	22,438.04	26,399.52
Transportation / Handling	7,534.10	8,228.36
Other Service charges	5,492.70	7,573.19
	37,148.17	43,325.65

40.23 Capital Work in Progress as at the Balance Sheet date is comprised of :

(₹ in Lakhs)

Asset Classification (*)	As at 31.03.2018	As at 31.03.2017
Leasehold Land	3.79	3.79
Building	843.09	944.51
Plant & Machinery	416.13	936.89
Electrical Installation & Equipment	26.78	168.06
Furniture & Fittings	—	159.65
Typewriters, Accounting Machine & Off. Equipment	34.74	114.95
Misc. Equipment	-	3.45
	1,324.53	2,331.30

(*) Subject to final allocation / adjustment at the time of capitalization

40.24 Miscellaneous Expenses shown under “Other Expenses” (Note no. 35) do not include any item of expenditure which exceeds 1% of the total revenue.

40.25 (a) Certain fixed deposits with banks amounting to ₹ 5,299.82 lakhs (₹ 7,317.64 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 31.3.2018.

(b) Certain fixed deposits amounting to ₹ 69.76 lakhs (₹ 69.70 lakhs) are pledged with a bank against guarantees availed from the said bank.

(c) Fixed Deposit with bank amounting to ₹0.85 lakhs (₹ 0.79 lakhs) are lodged with certain authorities as security.

40.26 Details of Other Payables (Note no. 23)

(₹ in Lakhs)

Particulars	2017-18	2016-17
Creditor for Expenses	6,423.57	7,819.32
Creditor for Capital Expenses	298.59	501.23
Employee Payables	2,122.33	1,708.55
Statutory Payables	369.41	297.90
Others	89.32	97.06
	9,303.22	10,424.06

40.27 Ind AS 36, Impairment, requires the company to test assets for impairment at every financial year end wherever there exists conditions which indicate that an impairment loss may have occurred. The Vacations Vertical and the Kolkata plant of the SBU Industrial Packaging have been incurring losses for the last few years. In view of the same, Goodwill recognized in Vacations Vertical and fixed assets of the IP Kolkata unit have been impaired during the current financial year. The impairment loss resulting from the same has been disclosed as a separate line item under Other expenses in Note no 35 of the Statement of Profit & Loss.

- 40.28 The company has been sanctioned a Grant-in-aid of ₹ 7.83 crores from the Ministry of Food Processing Industries (MoFPI) for setting up integrated cold chain facilities at Rai, Haryana and Patalganga in Maharashtra. Against the same the company has been disbursed ₹ 1.81 crores during the current financial year which is treated as a deferred income and grouped under Non Financial liabilities (current) to be apportioned over the useful life of the assets procured out of such grant. During the current financial year a sum of ₹ 5.50 lakhs has been credited to income in the statement of profit and loss.
- 40.29 (a) The financial statements have been prepared as per the requirement of Schedule III to the Companies Act, 2013.
- (b) Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures .
- (c) Figures in brackets relate to previous year.
- (d) All amounts in ₹ Lakhs unless otherwise stated.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175
New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath
Sunil Sachdeva **Kavita Bhavsar**
Directors Secretary

**Statement of Disputed Dues as on 31st March, 2018
(Not provided for in the accounts)**

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2017-18	2016-17		
Sales Tax Act.	Sales Tax	17.67	17.67	Asst yr 1994/95	Tribunal, Mumbai
		1.55	1.55	Asst Yr 1994/95	Tribunal, Mumbai
		9.03	-	Asstt Yr 2012/13	Jt. Commissioner, Mumbai
		-	0.80	Asstt Yr 2009/10	Dy. Commissioner, Mumbai
		16.67	52.25	Asst yr 2007/08	Jt. Commissioner, Mumbai
		61.55	61.55	Asst yr 2010/11	Jt. Commissioner, Mumbai
		15.65	15.65	Asstt Yr 2011/12	Jt Comm., Mumbai
		2.71	177.96	Asst yr 2007/08	Jt. Commissioner, Mumbai
		133.42	133.42	Asst yr 2003/04	Dy. Commissioner, Mumbai
		5.78	5.78	Asst Yr 2000/01	Dy. Commissioner, Mumbai
		0.90	0.90	Asst yr 2000-01	Dy. Commissioner, Mumbai
		0.61	0.61	Asst Yr 2001/02	Dy. Commissioner, Mumbai
		8.08	8.08	Asstt Yr 2000/01	Dy. Commissioner, Mumbai
		4.85	4.85	Asstt Yr 2001/02	Dy. Commissioner, Mumbai
		0.24	0.24	Asstt Yr 2008/09	Jt Comm., Mumbai
		64.54	61.00	Asst yr 2017	Asstt Commissioner, Mumbai
		1.35	1.35	Asst year 2000-01	Dy. Commissioner, Mumbai
		1.68	1.68	Asst year 2001-02	Dy. Commissioner, Mumbai
		5.48	5.48	Asst year 2008-09	Jt. Commissioner, Mumbai
		1.37	1.37	Asst year 2001-02	Dy. Commissioner, Mumbai
		-	2.72	Asstt Yr 2009/10	Jt. Commissioner, Mumbai
		109.56	109.56	Asst yr 2011-12	Jt. Commissioner, Mumbai
		8.54	-	Asst Yr 2012/13	Jt. Commissioner-ST Appeal, Mumbai
		7.07	7.07	Asstt Yr 2007/08	Sr. Jt. Commissioner, Appeal
				(VAT Act. 03)	West Bengal
		69.38	69.38	Asst yr 2003	CTO, Kochi
		15.62	15.62	Asstt Yr 1993/94	CTO, Kochi
		2.25	2.25	Asstt Yr 2005/06	CTO, Kochi
		6.63	6.63	Asstt Yr 2005/06	CTO, Kochi
		10.85	10.85	Asstt Yr 2004	CTO, Kochi
		1.82	1.82	Asstt Yr 2003/04	Asst. Commissioner, Chennai
		14.95	14.95	Asstt Yr 2008/09	Appeal pending with AAC
		1.64	1.64	Asstt Yr 2008/09	Appeal pending with AAC
		14.65	14.65	Asstt Yr 1998/99	Appeal pending before STAT
		67.82	67.82	Asst. Year 2005/06	Appeal pending with Sales Tax
					Appellate & Revision Board
		37.04	37.04	VAT Asst. 2006-07	- do -
		116.64	116.64	CST Asst, 2006-07	- do -

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2017-18	2016-17		
		90.93	90.93	Asst. Year 2005/06	- do -
		2.17	2.17	Asstt Yr 1998/99	AAC, Chennai
		12.14	12.14	Asst Yr 1996/97	Appeal pending with AAC, Chennai
		32.59	32.59	Asst Yr 2007/08	Appellate & Revision Board
		137.55	137.55	Asst Yr 2008/09	- do -
		17.68	17.68	Vat Asst. 2013-14	Appellate & Revision Board
		98.11	98.11	CST Asst. 2013-14	- do -
		12.84	-	VAT Act.'03 Asst. 2014-15	Addl Commissioner Appeal, WB
		66.22	-	CST Act.'06 Asst. 2014-15	- do -
		64.54	-	VAT Act.'03 Asst. 2015-16	- do -
		186.15	-	CST Act.'06 Asst. 2015-16	- do -
		8.32	8.32	Vat Asst. 2012-13	- do -
		24.04	272.08	CST Asst. 2011-12	- do -
		-	10.34	Asst Yr 2007/08	Jt. Commission Sales Tax Appl, Mumbai
		42.81	42.81	Asst Yr 2009/10	Addl. Commissioner, West Bengal
		52.50	526.76	Asst Yr 2010/11	Jt. Commissioner, Commercial Tax
		798.81	798.81	Asst Yr 2009/10	Appeal against Dy. Commissioner Order, Orissa
SUB TOTAL		2,484.96	3,081.09		
Central Excise Act	Excise Duty	1,308.11	1,260.90	July'97	Appelate Tribunal, Kolkata
		16.31	16.31	Feb.'2004	Appelate Tribunal, Kolkata
		47.00	47.00	04/10/2002	- do -
		38.17	15.63	22-11-2011	Addl. Commissioner (CE)
		0.37	0.37	05/05/2011	Dy. Commissioner (CE)
		1.78	0.69	11.02.2013	Commissioner (CE)
		16.65	15.74	08/04/2017	Comm (Appeals), Mumbai
		4.87	4.87	March, 2011	Comm (Appeals), Mumbai
		9.19	2.46	March'2010	- do -
		-	15.61	March, 2002	Asstt Commissioner, Mumbai
		29.64	25.95	2011-12	Commissioner (Appeal), Mumbai
		218.03	218.03	.18-09-2002	CESTAT
		99.29	99.29	.02-05-2003	- do -
		9.07	9.07	08-05-2006	- do -
		1.42	1.42	.06-07-1995	Asst. Commissioner
		12.18	12.18	17-07-1995	- do -
		9.97	9.97	27-04-1995	- do -
		1.62	1.62	03/06/2011	Comm. (Appeal)
		1.09	1.09	08-09-1995	Asst. Commissioner
SUB TOTAL		1,824.76	1,758.19		

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2017-18	2016-17		
Cess		115.09	110.16	Asstt Yr 1999/00	High Court, Mumbai
		96.49	91.32	Asstt Yr 2000/01	High Court, Mumbai
SUB TOTAL		211.58	201.48		
Service Tax Act	Service Tax	1.27	1.21	Oct 13 to Dec 13	Asst. Commisioner Central Excise (Adjn), Mumbai
		0.43	0.40	Apr-14 to June14	- Do -
		0.42	0.39	July 14 to Sept 14	- Do -
		1.23	1.16	Oct 14 to Dec 14	- Do -
		17.38	-	Asst. Year 2012-13	Commissioner of Central Excise Coimbatore
		8.34	-	Asst. Year 2012-13	- Do -
		-	6.88	2013-15	Asst. Commisioner, Mumbai
		-	1.73	2013-15	Asst. Commisioner, Mumbai
		21.26	20.13	19-03-2010	Commissioner (Appeal) Service Tax
		3,054.72	3,054.72	Oct.,2002 - March,2007	CESTAT, West Bengal
		-	10.17	April'08-Dec.'10	Dy. Commissionr (Service Tax) Mumbai
		1.03	0.97	Jan.'11-Oct.'11	Suppdt.
		2.50	2.38	April'06-Dec.'10	- Do -
		3.87	3.68	Nov 11 to Jun 12	Superintendent
		3.90	3.70	Nov 11 to Jun 12	Asstt Commissioner
		-	10.47	September, 2015	Asst. Commisioner, Mumbai
		1.12	1.05	26, 'October, 2015	Asst. Commisioner, Mumbai
		110.15	25.19	Asstt Yr 2005- 06/2006-07	Addl. Commissioner (Service Tax), West Bengal
		10.97	4.58	21, April, 2015	Commissioner-Service Tax Audit Commissionerate Kolkata
		14.00	13.42	Apr 06 to Feb 10	Asstt Commissioner, Mumbai
		3.15	3.01	Mar 10 to Dec 10	Superintendent, Mumbai
		5.09	4.88	Apr 06 to Dec 10	Asstt Commissioner, Mumbai
		17.94	-	Apr.'15 to June'17	Show cause letter issued from Commissioner Office
		46.39	46.39	1/5/2011	Appellate Tribunal
		27.99	27.97	23-07-2012	Ist Appellate Authority, Delhi
		525.21	525.21	2013-14	Central Excise Service Tax Appellate Tribunal, Delhi
		21.58	21.58	2012-15	Show cause letter issued from Commissioner Office
		4.79	4.53	July 12 to Mar 13	Asstt Commissioner, Mumbai
		310.85	-	2016-17	CESTAT, Coimbatore
		4.15	3.93	Apr 13 to Sep 13	Asstt Commissioner, Mumbai
		1,364.63	1,364.63	01-03-2017	Commissioner order CHN dated 01.03.2017
		716.14	716.14	Apr.'08 to March'09	CESTAT, MUMBAI
		67.62	67.62	8/10/2016	CESTAT, HYDERABAD

Name of the Statute	Nature of the Dues	Amount (₹ in Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2017-18	2016-17		
		29.25	27.71	Oct 07 to Mar 13	Commissioner, Mumbai
		6,397.37	5,975.84		
Income Tax Act	Income Tax	-	447.23	2011-12	CIT (Appeals), Kolkata
		-	447.23		
Provident Fund Act.	Provident Fund	-	1.57	31/08/2004	EPF Appellate Tribunal, Delhi
		-	1.57		
GRAND TOTAL		10,918.67	11,465.40		

**NOTE NO. 41
SEGMENT REVENUE**

	31 March 2018			31 March 2017		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	59,492	1,528	57,964	56,635	1,739	54,897
Logistics Infrastructure	19,244	187	19,057	19,887	100	19,787
Logistic Services	33,136	59	33,077	36,733	148	36,585
Travel & Vacations	15,893	162	15,731	16,304	83	16,221
Greases & Lubricants	40,374	140	40,234	44,897	112	44,785
Others	9,939	81	9,858	10,646	112	10,533
Total Segment Revenue	178,079	2,158	175,921	185,101	2,293	182,808

Segment Profit/(Loss) before Interest & Income Tax

	31 March 2018	31 March 2018
Industrial Packaging	5,842	5,944
Logistics Infrastructure	4,474	4,949
Logistic Services	8,483	8,946
Travel & Vacations	5,294	3,517
Greases & Lubricants	3,096	3,178
Others	(1,079)	(1,123)
Total Segment Profit/(Loss) before Interest & Income Tax	26,111	25,411

Segment Assets

	31 March 2018				31 March 2017			
	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	31,765	-	-	31,765	30,364	-	-	30,364
Logistics Infrastructure	21,653	-	-	21,653	19,645	-	-	19,645
Logistic Services	7,756	-	-	7,756	14,076	-	-	14,076
Travel & Vacations	32,538	-	-	32,538	22,805	-	-	22,805
Greases & Lubricants	19,349	-	-	19,349	21,577	-	-	21,577
Others	6,331	-	-	6,331	5,912	-	-	5,912
Total Segment Assets	119,393	-	-	119,393	114,379	-	-	114,379

(₹ in Lakhs)

	31 March 2018				31 March 2017			
	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
Unallocated								
Deferred tax assets	-	-	-	-	802	-	-	802
Investments	8,738	5,103	-	13,841	5,738	3,000	-	8,738
Derivative financial instruments	-	-	-	-	-	-	-	-
Other Assets	51,951	-	-	51,951	55,434	-	-	55,434
Total Assets as per the Balance Sheet	180,082	5,103	-	185,185	179,352	-	-	179,352

Impairment of Assets

Particulars	31 March 2018	31 March 2017
Industrial Packaging	381.58	-
Logistics Infrastructure	-	-
Logistic Services	-	-
Travel & Vacations	689.31	-
Greases & Lubricants	-	-
Others	-	-
Total Impairment of Assets	1,070.89	-

Segment Liabilities

Particulars	31 March 2018	31 March 2017
Industrial Packaging	9,079	6,991
Logistics Infrastructure	5,148	4,805
Logistic Services	10,961	10,409
Travel & Vacations	17,062	10,399
Greases & Lubricants	6,468	5,901
Others	2,363	1,952
Total Segment Liabilities	51,081	40,457
Intersegment eliminations	-	-
Unallocated		
Deferred tax liabilities	819	-
Current tax liabilities	2,778	4,575
Current borrowings	-	-
Non current borrowings	-	-
Derivative financial instruments	-	-
Other Liabilities	4,921	17,721
Total Liabilities as per the Balance Sheet	59,598	62,753

NOTE NO. 42

FINANCIAL RISK MANAGEMENT

i) **Financial instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2018		31 March 2017	
	FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial Assets				
Equity instruments**	14	-	14	-
Trade receivables	-	27,127	-	28,161
Other receivables	-	24,120	-	18,035
Loans	-	2,896	-	924
Accrued income	-	2,241	-	1,901
Security deposit	-	810	-	819
Cash and equivalents	-	5,059	-	3,106
Other bank balances	-	43,008	-	47,759
Total	14	105,260	14	100,705
Financial Liabilities				
Trade payable	-	32,279	-	30,712
Security deposit	-	2,458	-	2,431
Other financial liabilities	-	9,303	-	10,424
Derivative financial liabilities	-	-	-	-
Total	-	44,040	-	43,567

* All financial assets/liabilities stated above are measured at amortised cost and their respective carrying values are not considered to be materially different from their fair values.

** 1 Investment in equity instrument of subsidiaries, joint ventures and associates have been carried at cost amounting to ₹ 13,826.20 Lakhs (31 March 2017 ₹ 8,723.30 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 (INR)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts

The Company's risk management other than in respect of trade receivables is carried out by a central treasury department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Company's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables amounting to ₹ 51,247.05 Lakhs as at March 31, 2018 and ₹ 46,195.32 Lakhs as at March 31, 2017 respectively. 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 rating.

B) Liquidity risk

Liquidity risk arises from borrowings and other liabilities. The company has taken a loan of Rs 15 Crores from Standard Chartered Bank to avail of Grant in aid from the Ministry of Food Processing Industries (MoFPI) and expects to repay the same as per schedule.

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 foreign exchange rates or interest 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, Transafe Services Limited which has been entirely provided for in the books of the company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The company has not invested in any other instruments except equity investments. The company has a very insignificant borrowing on which interest is payable and it does not foresee any risk in its repayment.

2) Foreign currency risk

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Company does not use forward contracts for speculative purposes.

The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED.

The Company, as a matter of policy decided by the Board of Directors, do not enter into derivative contracts.

Foreign currency risk :

The Company's exposure to foreign currency risk at the end of the reporting period expressed in individual currencies are as follows.

Particulars	31 March 2018	31 March 2017
Net payables		
USD	3,663,714	2,356,883
Euro	1,782,941	2,553,746
GBP	473,197	756,362
Forward Contracts		
GBP	80,000	23,799
Euro		
Receivables		
AED	10,918,698	9,099,870

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows ₹ in Lakhs.

Particulars	31 March 2018	31 March 2017
Net payables		
USD	2,403	1,539
Euro	1,447	1,788
GBP	438	619
Receivables		
USD		
AED	1,887	1,565

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Increase by 50 Basis points *		
USD	120.17	76.95
Euro	72.37	89.42
GBP	21.92	30.93
AED	94.34	78.26
Decrease by 50 basis points *		
USD	(120.17)	(76.95)
Euro	(72.37)	(89.42)
GBP	(21.92)	(30.93)
AED	(94.34)	(78.26)

* Holding all other variables constant

D. 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.

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Total Equity	125,586	116,599
Total Assets	185,185	179,352
Equity Ratio	68%	65%

Dividends

Particulars	31 March 2018	31 March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2017 of ₹ 7 (31 March 2016 - ₹ 20) per fully paid share (Net of Dividend distribution tax)	7,980.18	5,700.13
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 10 (31 March 2017 ₹ 7) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	11,400.26	7,980.18

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

Sl. No.	Particulars	1	2
1	Name of the subsidiary	Balmer Lawrie UK Ltd.	Visakhapatnam Port Logistics Park Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD @ ₹ 64.75/USD	INR
4	Share Capital	183,726,701	1,350,649,630
5	Reserves & surplus	161,418,642	(30,345,645)
6	Total assets	346,779,050	1,916,584,613
7	Total Liabilities	1,633,707	596,280,628
8	Investments	130,154,558	-
9	Turnover	6,170,481	-
10	Profit before taxation/(Loss)	5,587,990	(10,198,282)
11	Provision for taxation	1,061,706	-
12	Profit after taxation/(Loss)	4,526,284	(10,198,282)
13	Proposed Dividend	-	-
14	% of shareholding	100%	60%

Note:

- 1 Visakhapatnam Port Logistics Park Ltd. is yet to commence operations.
- 2 None of the subsidiaries have been liquidated or sold during the year.

Part - B - Associates and Joint Ventures

I	Sl No.	Name of Associates / Joint Ventures	Latest Audited Balance Sheet Date	Extent of Holding %
	1	Balmer Lawrie (UAE) Llc.	31/12/2017	49%
	2	Balmer Lawrie-Van Leer Ltd.	31/03/2018	48%
	3	Transafe Services Ltd.	31/03/2018	50%
	4	Avi-Oil India (P) Ltd.	31/03/2018	25%
II	Sl No.	Name of Associates / Joint Ventures	Shares of Associates / JV held by the Company at the year end	Amount of Investment in Associates/ JV ₹/ Lakhs
	1	Balmer Lawrie (UAE) Llc.	9800	890.99
	2	Balmer Lawrie-Van Leer Ltd.	8601277	3,385.03
	3	Transafe Services Ltd.	11361999	1,165.12
	4	Avi-Oil India (P) Ltd.	4500000	450.00

III Description of How there is significant influence Controlling more than 20% shareholding

IV Reason why the associate /JV is not consolidated Not Applicable

V		Networth attributable to shareholding as per latest audited Balance sheet	Profit / (Loss) for the year ₹ in Lakhs	
			Considered in consolidation	Not considered in consolidation
1	Balmer Lawrie (UAE) Llc.	20,961.23		6,871.71
2	Balmer Lawrie-Van Leer Ltd.	6,817.52		2,153.43
3	Transafe Services Ltd.	(4,742.09)		(2,112.20)
4	Avi-Oil India (P) Ltd.	1,467.17		1,084.95

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 adjsuted to the Investment value with corresponding increase/ Decrease in Equity. In case of Transafe Services Ltd, since the net worth has turned negative, hence no further consolidation is required.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175

New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

Independent Auditors' Report To the Board of Directors of Balmer Lawrie & Co. Limited

Report on the Consolidated AS financial statements

We have audited the accompanying consolidated Ind AS financial statements of **Balmer Lawrie & Co. Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the holding company and its subsidiaries together to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated IND AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in the Companies Act 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and jointly controlled entities 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 consolidated Ind AS 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 Ind AS financial statement by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and fair presentation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (a) of the other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the consolidated state of affairs of the Group and jointly controlled entities as at March 31, 2018;
- (b) in the case of Statement of Profit and Loss, of the Profit of the Group and jointly controlled entities for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows of the Group and jointly controlled entities for the year ended on that date and;
- (d) in the case of the Statement of Changes in Equity,

of the changes in equity of the Group and jointly controlled entities for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

- a) According to the Note No.- 40.7:- One of the Joint Venture Company M/s Transafe Services Limited where Company holds 50% stake, has incurred continuous losses over the last few years resulting in negative net worth of ₹ 9,484.17 Lakhs as on 31 March 2018. Based on the negative net worth, a reference application was made to BIFR under section 15 of SICA. The Ministry of Finance vide its notification nos. SO. 3568 (E) has repealed SICA, 1985 and dissolved BIFR. However the financial statements of the Company have been prepared on a going concern basis.
- b) According to the Note No.- 40.8:- The Joint Venture Company M/s Transafe Services Limited where the Holding Company holds 50% stake, has defaulted in repayment of dues to banks amounting to ₹ 7,045.86 Lakhs, as on balance sheet date;
- c) Note No.40.10:- 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.
- d) Note No. 24:- Non Financial Liabilities (Current) includes Unallocated Receipts ₹ 853.53 Lakhs as on 31st March 2018 are subject to reconciliation and adjustment with Trade Receivable and Others Receivable.

Our opinion is not modified in respect on above matters.

Other Matter

We did not audit the Ind AS financial statements of two

(2) subsidiaries, and five(5) jointly controlled entities, whose financial statements reflect total assets of ₹ 34,387.90 Lakhs as at 31st March 2018 and total revenue of ₹ (-)157.07 Lakhs, and net cash inflows amounting to ₹ 414.00 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of above subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of other auditors.

Our opinion on the consolidated Ind AS 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 certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order ") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company and jointly controlled companies incorporated in India, we give in the "Annexure- A", a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of

the aforesaid consolidated Ind AS financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The reports on the account of the jointly controlled entities audited under section 143(8) of the act by other auditors have been submitted to us and have been properly dealt with by us in preparing this report.
- d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the consolidated statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- e) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the reports of the statutory auditors of jointly controlled companies incorporated in India, none of the directors of jointly controlled companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act. We are informed that the provisions of Section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government companies in terms of notification no. G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and jointly controlled entities incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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 Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entities – Refer Note No.40.4 (a) and (b) of the consolidated Ind AS financial statements;
- ii) The Group and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and jointly controlled entities incorporated in India.

Dated: 29.05.2018

For **DUTTA SARKAR & CO.**

Chartered Accountants

Firm Registration No.- 303114E

Place: New Delhi

(Bijan Kumar Dutta)

Partner

Membership No.- 016175

**ANNEXURE- 'A' TO AUDITORS' REPORT
AS REPORTED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE**

“Our reporting on the Order includes 5 (five) jointly controlled entities in India to which the Order is applicable, which has been audited by other auditors and our report in respect of these entities is based solely on auditors’ report, to the extent considered applicable for reporting under the order in the case of consolidated Ind AS financial statements”.

- i) In respect of the fixed assets of the Holding Company and jointly controlled entities incorporated in India:
 - a) The respective entities have generally maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The respective entities have regular programmes of physical verification of its fixed assets by which plant and machinery are verified every year and other fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the respective entities and nature of its assets. As explained to us, in accordance with its program fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the respective entities, title deeds of Immovable properties are held in the name of the respective entities except to the extent of the properties and values specified in Note No 40.3(b).
- ii) The inventories of the Holding company and jointly controlled entities incorporated in India have been physically verified during the year by the management of respective entities except goods in transit. 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 Holding company and jointly controlled entities incorporated in India, have 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 clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable.
- iv) The Holding company and jointly controlled entities incorporated in India, have not given

any loans, guarantees, securities or made Investments which is required to be complied with the provisions of section 185 and 186 of the Companies Act, 2013.

- v) The Holding company and jointly controlled entities incorporated in India, have not accepted any deposits, according to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- vi) We have broadly reviewed the cost record maintained by the Holding company and jointly controlled entities incorporated in India, 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. However, the above requirements are not applicable in case of Transafe Services Ltd, jointly controlled entities.
- vii) In respect of undisputed statutory dues of the Holding company and jointly controlled entities incorporated in India:
 - a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Service Tax and other statutory dues applicable to the respective entities with appropriate authorities except in case of Transafe Services Ltd the following undisputed statutory dues were outstanding for a period of more than 6 months in respect of Goods and Service Tax (GST) as on 31.03.2018:
 - b) The disputed statutory dues of Income Tax, Sales Tax, Service tax, Excise Duty, Value Added Tax and Cess as at 31st March, 2018 aggregating to ₹ 14,495.05 Lakhs which have not been deposited on account of dispute, as mentioned in Note No. 40.4(a) to the consolidated Ind AS financial statements showing the amounts involved and the Forum where dispute is pending.

Name of the Statute	Nature of Dues	Amount (Rs).	Period to which the amount relates	Due date of payment
IGST Act, 2017	IGST	11,45,012	F.Y. 2017 -18	August 17 onwards
CGST Act ,2017	CGST	6,75,238	F.Y. 2017 -18	August 17 onwards
Tamilnadu GST Act, 2017	SGST	30,921	F.Y. 2017 -18	August 17 onwards
Maharashtra GST Act, 2017	SGST	3,57,033	F.Y. 2017 -18	August 17 onwards
Delhi GST Act, 2017	SGST	2,27,737	F.Y. 2017 -18	August 17 onwards
Total		24,29,941		

viii) One of the Joint Venture Company M/s Transafe Services Limited has defaulted in repayment of dues to certain Banks amounting to ₹ 7,045.86 Lakhs as at the Balance Sheet date as stated in Note No. 40.8 to the consolidated Ind AS financial statements. The Holding company and other jointly controlled entities incorporated in India has not defaulted in repayment of dues to any financial institutions or Banks as at the Balance Sheet date and there is no debenture holder.

ix) The Holding company and jointly controlled entities incorporated in India have not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit. Hence this clause is not applicable.

x) According to the information and explanation given to us no fraud on or by the Holding company has been noticed or reported during the year. Also in accordance with the information and explanation given to us, no fraud on or by the jointly controlled entities incorporated in India, has been noticed or reported during the year.

xi) By virtue of Article 7A of the Articles of Association of the Holding company, the President of India is entitled to determine terms and conditions of appointment of the Directors. This *inter alia* includes determination of remuneration payable to the Whole-Time Directors. Hence this clause is not applicable to Holding Company.

By virtue of Section 197 read with schedule V, are applicable only to Public Companies. Hence, this clause is not applicable to jointly controlled entities incorporated in India.

xii) The Holding company and jointly controlled entities incorporated in India, is not a Nidhi Company. Hence this clause is not applicable.

xiii) According to the information and explanations provided to us and the records of the Holding Company examined by us, the Holding Company has not been able to comply with the requirements of Section 177 in respect of composition of Audit Committee, since independent directors on the board are yet to be appointed by the Government of India.

According to the information and explanations provided to us, a jointly controlled entity incorporated in India namely, Transafe Services Limited has not complied with the requirements of section 177 as there is no independent director in the Audit Committee.

According to the information and explanations given to us by the management, all transactions of the Holding company and jointly controlled entities incorporated in India with related parties are in compliance with section 188 of Companies Act, 2013 where applicable.

Disclosures have been made in the financial statement in Note No. 40.1 to the consolidated Ind AS financial statements as required by the applicable accounting standard to the extent applicable for consolidated Ind AS financial statements.

xiv) The Holding Company and jointly controlled entities incorporated in India has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence this clause is not applicable.

xv) The Holding company and jointly controlled entities incorporated in India has not entered into any non-cash transactions with directors or persons connected with him. Hence this clause is not applicable.

xvi) The Holding company and jointly controlled entities incorporated in India is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

Dated: 29.05.2018

Place : New Delhi

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No.- 303114E

(Bijan Kumar Dutta)
Partner

Membership No.- 016175

“Annexure- B” to the Auditors’ Report
Report on the Internal Financial Controls under Paragraph (i) of Sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

“Our reporting includes 5 (five) jointly controlled entities in India to which the Act is applicable, which has been audited by other auditors and our report in respect of these entities is based solely on other auditors’ report, to the extent considered applicable for reporting under the Act in the case of consolidated Ind AS financial statements”.

We have audited the internal financial controls over financial reporting of BALMER LAWRIE & CO. LIMITED (“the Holding Company”) as of 31st March 2018 in conjunction with our audit of the financial statement of the Company for the year ended on that date and other auditors have audited the internal financial controls over financial reporting of Jointly Controlled Entities incorporated in India as of 31st March 2018 in conjunction with their audit of the financial statement of the respective jointly controlled entities for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The management of the Holding Company and jointly controlled entities incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and jointly controlled entities incorporated in India considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the policies of Holding Company and jointly controlled entities incorporated in India, the safeguarding of their assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the

timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s and jointly controlled entities’ internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Holding Company’s and jointly controlled entities’ internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS 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 record, that in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion of improper management override of

controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of internal financial controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Holding company and jointly controlled entities incorporated in India have , in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding company and jointly controlled entities incorporated in India 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".

Dated: 29.05.2018

For **DUTTA SARKAR & CO.**

Chartered Accountants

Firm Registration No.- 303114E

Place : New Delhi

(Bijan Kumar Dutta)

Partner

Membership No.- 016175

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, KOLKATA FOR THE YEAR ENDED 31 MARCH 2018

The preparation of consolidated financial statements of Balmer Lawrie & Company Limited, Kolkata for the year ended 31 March 2018 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 of 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 29.05.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Balmer Lawrie & Company Limited, Kolkata for the year ended 31 March 2018. We conducted a supplementary audit of the financial statements of Balmer Lawrie & Company Limited and its subsidiary viz., Visakhapatnam Port Logistics Park Limited but did not conduct supplementary audit of the financial statements of the subsidiaries and associate companies 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 nor 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of the
Comptroller & Auditor General of India

(Suparna Deb)
Director General of Commercial Audit &
Ex-officio Member, Audit Board-I, Kolkata

Place: Kolkata.
Date : 27-07-2018

Annexure

Name of Subsidiary and Associate companies, whose supplementary audit of the financial statements was not conducted by the Comptroller & Auditor General of India for the year ended 31.03.2018.

Sl. No.	Name of the Subsidiary / Associate Companies	Name of relationship	Type of Entity
1.	Balmer Lawrie (UK) Limited	Subsidiary	Foreign Company
2.	Balmer Lawrie (UAE) Llc.	Joint Venture	Foreign Company
3.	Balmer Lawrie – Van Leer Limited	Joint Venture	Private Company
4.	Transafe Services Limited	Joint Venture	Private Company
5.	Avi-Oil India Private Limited	Associate	Private Company

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Note No	As at 31 March 2018	As at 31 March 2017
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	40,375.07	38,293.08
(b) Capital work-in-progress		13,806.59	6,265.69
(c) Investment Property	3	113.54	61.88
(d) Goodwill	4	—	689.32
(e) Other Intangible assets	4	527.27	629.60
(f) Intangible assets under development		—	—
(g) Financial Assets			
(i) Investments	5	29,260.38	27,134.19
(ii) Loans	6	428.29	485.28
(iii) Others	7	554.61	501.09
(h) Deferred tax Assets (net)	8	—	—
(i) Other Non Current Assets	9	8,188.47	3,715.16
Total Non Current Assets		93,254.22	77,775.29
(2) Current Assets			
(a) Inventories	10	13,663.32	15,169.64
(b) Financial Assets			
(i) Trade Receivables	11	26,978.33	28,160.55
(ii) Cash & cash equivalents	12	7,591.53	5,224.74
(iii) Other Bank Balances	13	43,007.56	47,758.91
(iv) Loans	14	432.08	386.54
(v) Others	15	27,202.28	20,767.01
(c) Other Current Assets	16	7,443.56	7,749.13
Total Current Assets		126,318.66	125,216.52
Total Assets		219,572.88	202,991.81
EQUITY AND LIABILITIES			
Attributable to owners			
(a) Equity Share Capital	17	11,400.25	11,400.25
(b) Other Equity	18	134,293.86	124,735.89
Attributable to Non Controlling Interest			
(a) Equity Share Capital		5,402.60	—
(b) Other Equity		(121.38)	—
Total Equity		150,975.33	136,136.14
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,115.99	—
(ii) Trade Payables	19	—	—
(iii) Other Financial Liabilities	19	49.82	21.85
(b) Provisions	20	3,777.48	5,579.30
(c) Deferred Tax Liabilities (net)	8	6,314.76	3,202.21
(d) Other Non Current Liabilities	21	7.06	4.12
Total Non Current Liabilities		11,265.11	8,807.48
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		374.35	—
(ii) Trade Payables	22	32,318.93	30,711.73
(iii) Other Financial Liabilities	23	15,601.86	14,147.99
(b) Other Current Liabilities	24	6,046.78	6,874.02
(c) Provisions	25	504.33	1,990.88
(d) Current Tax Liabilities (net)	26	2,486.19	4,323.57
Total Current Liabilities		57,332.44	58,048.19
Total Equity and Liabilities		219,572.88	202,991.81

Summary of significant accounting policies 1

The accompanying notes are integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

As per our report attached

For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooh Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018
(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

Particulars	Note No	(₹ in Lakhs)	
		For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from operations	27	175,763.79	182,808.25
Other income	28	5,063.76	5,563.80
		<u>180,827.55</u>	<u>188,372.05</u>
Expenses			
Cost of materials consumed & Services rendered	29	105,749.72	106,940.86
Purchase of stock-in-trade	30	712.43	1,148.67
Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	1,199.19	(38.44)
Excise Duty on sales		3,303.94	12,171.84
Employee Benefit Expenses	32	19,820.49	19,952.76
Finance costs	33	422.73	453.70
Depreciation and amortisation expense	34	2,689.55	2,587.07
Other expenses	35	23,099.53	21,551.85
		<u>156,997.58</u>	<u>164,768.31</u>
Profit before exceptional items and Tax		23,829.97	23,603.74
Exceptional Items			
Profit before Tax		23,829.97	23,603.74
Tax expense	36		
Current Tax		5,810.59	8,604.75
Deferred Tax		1,538.00	(481.99)
Profit for the period from Continuing Operations		<u>16,481.38</u>	<u>15,480.98</u>
Profit/(Loss) from Discontinued Operations			
Tax expense of Discontinued Operations			
Profit/(Loss) from Discontinued Operations after Tax			
Profit/(Loss) for the period - Attributable to Owners		16,522.17	15,480.98
Profit/(Loss) for the period - Attributable to Non controlling Interest		(40.79)	—
Other Comprehensive Income	37		
A i) Items that will not be reclassified to profit and loss		238.88	101.36
ii) Income tax relating to items that will not be reclassified to profit or loss		(82.67)	(55.71)
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			
Other Comprehensive Income for the year		<u>156.21</u>	<u>45.65</u>
Total Comprehensive Income for the year		<u>16,637.59</u>	<u>15,526.63</u>
Earnings per equity share	38		
Basic (₹)		14.46	13.58
Diluted (₹)		14.46	13.58

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 **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta

Partner

Membership No. 016175

New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooh Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018
(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Cash Flow from Operating Activities		
Net profit before tax	23,830	23,604
Adjustments for:		
Depreciation and amortisation	2,690	2,587
Impairment of Assets	1,071	—
Write off/Provision for doubtful trade receivables (Net)	(2,909)	1,002
Write off/Provision for Inventories (Net)	(36)	30
Other Write off/Provision (Net)	2,814	1
(Gain)/Loss on sale of fixed assets (net)	11	(2)
(Gain)/Loss on fair valuation of Investments (net)	—	—
Interest income	(3,559)	(3,496)
Dividend Income	(3)	—
Finance costs	423	454
Operating Cash Flows before working capital changes	24,332	24,180
Changes in operating Assets and Liabilities		
(Increase)/Decrease in trade receivables	4,091	(6,130)
(Increase)/Decrease in non current assets	2,050	1,478
(Increase)/Decrease in Inventories	1,542	(3,223)
(Increase)/Decrease in other short term financial assets	(9,295)	786
(Increase)/Decrease in other current assets	483	(1,121)
Increase/(Decrease) in trade payables	1,635	8,282
Increase/(Decrease) in long term provisions	(1,802)	(963)
Increase/(Decrease) in short term provisions	(1,256)	1,243
Increase/(Decrease) in other liabilities	(433)	2,559
Increase/(Decrease) in other current liabilities	(827)	(600)
Cash flow generated from Operations	20,520	26,490
Income taxes paid (net of refunds)	(7,648)	(8,342)
Net Cash Flow from Operating Activities	A 12,872	18,147
Cash flow from Investing Activities		
Purchase or construction of Property, plant and equipment	(10,265)	(7,893)
Purchase of Investments	—	—
Proceeds on sale of Property, plant and equipment	23	25
Proceeds on sale of Investment	—	12
Bank deposits (having original maturity of more than three months) (net)	4,754	(7,389)
Interest received	3,559	3,496
Dividend received	3	—
Net cash generated from Investing Activities	B (1,926)	(11,748)
Cash flow from Financing Activities		
Dividend paid (including tax on dividend)	(9,647)	(6,870)
Loans Taken	1,490	—
Finance cost paid	(423)	(454)
Net cash used by Financing Activities	C (8,580)	(7,324)
Net cash increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	2,367	(925)
Cash and Cash Equivalents at the beginning of the year	5,225	6,150
Cash and Cash Equivalents at the end of the year	7,592	5,225
Movement in Cash Balance	2,367	(925)
Reconciliation of Cash and Cash Equivalents as per cash flow statement		
Cash and Cash Equivalents as per above comprise of the following		
Cash on hand	4	31
Balances with banks		
On current accounts	7,588	5,194
On deposits with original maturity upto 3 months	—	—
	7,592	5,225

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175

New Delhi, 29th May, 2018

Prabal Basu

Chairman &
Managing Director

Shyam Sundar Khuntia

Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooh Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar

Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018
(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Balance at the beginning of the reporting period	Bonus shares issued during the year	Balance at the end of reporting period
Equity Share Capital	11,400.25	—	11,400.25

B. Other Equity

	Reserves and Surplus			Foreign Currency Translation	Other Comprehensive Income Reserve	Total
	Share Premium Account	General reserve	Retained earnings			
Balance as at 1 April 2016	3,626.77	41,154.01	74,471.62	2,033.22	(261.63)	121,023.99
Profit for the year	—	—	15,480.97	—	—	15,480.97
Bonus shares issued	—	(8,550.19)	—	—	—	(8,550.19)
Dividends paid	—	—	(5,700.13)	—	—	(5,700.13)
Dividend Tax paid	—	—	(1,192.69)	—	—	(1,192.69)
Transfers	—	3,000.00	(3,000.00)	—	—	—
Retained earnings adjustment	—	—	4,365.03	—	—	4,365.03
Remeasurement gain/loss during the year	—	—	—	(998.38)	307.28	(691.10)
Balance as at 31 March 2017	3,626.77	35,603.82	84,424.80	1,034.85	45.65	124,735.89
Balance as at 1 April 2017	3,626.77	35,603.82	84,424.80	1,034.85	45.65	124,735.89
Profit for the year	—	—	16,637.59	—	—	16,637.59
Bonus shares issued	—	—	—	—	—	—
Dividends paid	—	—	(7,980.18)	—	—	(7,980.18)
Dividend Tax paid	—	—	(1,669.77)	—	—	(1,669.77)
Retained Earnings - NCI	—	—	(121.38)	—	—	(121.38)
Retained earnings adjustment	—	—	2,597.27	—	—	2,597.27
Remeasurement gain/loss during the year	—	—	(156.21)	74.77	54.49	(26.95)
Balance as at 31 March 2018	3,626.77	35,603.82	93,732.13	1,109.62	100.14	134,172.47

This is the statement of Changes in Equity referred to in our report of even date.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner

Membership No. 016175

New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooh Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

Balmer Lawrie & Co. Ltd. (the “Company”) is a Government of India Enterprise engaged in diversified business with presence in both manufacturing and service businesses. The group is engaged in the business of Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistic Services and Infrastructure, Refinery & Oil Field and Travel & Vacation Services in India. The company is a Government company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, its shares are listed on recognized stock exchange of India.

Basis of Preparation

The consolidated financial statements relates to the Company along with its subsidiaries and its interest in joint ventures and associates (collectively referred to as the ‘Group’) and have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 as amended issued by Ministry of Corporate Affairs and other relevant provisions of the Companies Act, 2013. The Group has uniformly applied the accounting policies during the period presented. These are the Group’s financial statements prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS). Unless otherwise stated, all amounts are stated in lakhs of Rupees.

All assets and liabilities have been classified as current or non-current as per the groups normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the 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 CompanyGroup’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 Company'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 company's share of net assets of the joint venture/associate. Goodwill relating to the joint venture/associate is included in the carrying amount of the investment and is not tested for impairment individually.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

1.3 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured/constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in-Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Plant, Property & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on Plant & Machinery other than continuous process plant is provided on pro-rata basis following straight line method considering estimated useful life at 25 years, based on technical review by a Chartered Engineer. Depreciation on continuous process plant is as per Schedule II of the Companies Act, 2013.

Depreciation on tangible assets other than Plant and Machinery, is provided on pro-rata basis following straight line method over the estimated useful lives of the asset or over the lives of the assets prescribed under Schedule II of the Companies Act, 2013, whichever is lower. Based on internal review, the lower estimated useful lives of the following assets are found

justifiable compared to the lives mentioned in Schedule II of the Companies Act 2013:

Asset category	Estimated useful life (in years)
Mobile Phones and Portable Personal Computers	2 years
Assets given to employees under furniture equipment scheme	5 years
Electrical items like air conditioners, fans, refrigerators etc.	6.67 years
Office furniture, Photocopier, Fax machines, Motor Cars & Machine Spares	5 years

The residual values of all assets are taken as NIL.

1.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Additionally, when a property given on rent is vacated and the managements intention is to use the vacated portion for the purpose of its own business needs, Investment Properties are reclassified as Buildings.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is consistent with the useful lives followed for depreciating Property, Plant and Equipment.

1.5 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- Financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents, trade

and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Group's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Group has a diversified portfolio of trade receivables from its different segments. Every business segment of the Group has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Group as a whole, The Group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of Expected credit losses.

Derivative financial instruments are carried at FVTPL.

1.6 Inventories

- a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –
- b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.

- c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.
- d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.
- e) Loose Tools are written-off over the economic life except items costing upto ₹ 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 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: 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 Company'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 Company.
- c) Capital commitments and Contingent liabilities disclosed are in respect of items which exceed ₹ 100,000 in each case.
- d) 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 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 group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1.17 Leases

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the 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.

1.18 Revenue recognition

Revenue is measured as the fair value of consideration received or receivable, excluding Goods and Services tax.

Sale of goods

When the property and all significant risks and rewards of ownership are 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 service rendered in full or part is recognised 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.
- 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 Company's right to receive.

- c) Royalties shall be recognised on accrual basis in accordance with the substance of the relevant agreement

1.19 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing Costs are recognised as expense in the period in which they are incurred.

1.20 Cash Flow Statement

Cash Flow Statement, as per Ind AS – 7, is prepared using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.21 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by:

- a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.
- c) Any items exceeding rupees twenty five Lakhs (₹ 25 Lakhs) shall be considered as material prior period item.
- d) Retrospective restatement shall be done except to the extent that it is impracticable to

determine either the period specific effects or the cumulative effect of the error. When it is impracticable to determine the period specific effects of an error on comparative information for one or more prior periods presented, the company shall restate the opening balances of assets, liabilities and equity for the earliest prior for which retrospective restatement is practicable (which may be the current period).

1.22 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable

to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner
Membership No. 016175
New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in lakhs)

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 2017	2,398.67	3,203.81	14,102.46	15,771.79	24.25	2,452.96	701.28	1,453.46	1,460.35	535.90	238.33	368.67	42,711.93
Additions	20.74	—	2,072.98	1,446.27	5.12	454.41	140.76	428.72	370.83	85.78	—	12.07	5,037.68
Inter Asset Adjustment	—	—	(52.27)	—	—	—	—	—	—	—	—	—	(52.27)
Disposal of Assets	—	—	1.51	60.07	0.30	32.65	29.38	38.76	6.86	—	—	4.27	173.80
Balance as at Mar 31 2018	2,419.41	3,203.81	16,121.66	17,157.99	29.06	2,874.72	812.66	1,843.42	1,824.33	621.68	238.33	376.47	47,523.53
Accumulated depreciation													
Balance as at 1 April 2017	—	125.94	730.76	1,463.50	18.21	586.81	150.97	609.86	274.89	148.70	41.88	267.33	4,418.85
Depreciation charge for the year	—	63.53	424.77	814.84	2.14	371.90	97.68	373.34	184.81	73.94	20.94	58.94	2,486.83
Impairment	—	—	74.92	277.58	—	18.24	0.66	0.20	9.99	—	—	—	381.59
Inter Asset Adjustment	—	—	0.84	—	—	—	—	—	—	—	—	—	0.84
Disposal of Assets	—	—	1.19	45.96	0.30	27.65	18.78	38.73	2.77	—	—	4.27	139.65
Balance as at Mar 31 2018	—	189.47	1,230.10	2,509.96	20.05	949.30	230.53	944.67	466.92	222.64	62.82	322.00	7,148.46
Net block as at Mar 31 2018	2,419.41	3,014.34	14,891.56	14,648.03	9.01	1,925.42	582.13	898.75	1,357.41	399.04	175.51	54.48	40,375.07
Net block as at Mar 31 2017	2,398.67	3,077.87	13,371.70	14,308.29	6.04	1,866.15	550.31	843.60	1,185.46	387.20	196.45	101.34	38,293.08

(₹ in lakhs)

Note No. 3

INVESTMENT PROPERTIES

Gross carrying amount

Balance as at 1 April 2017	97.79
Additions	—
Disposals/adjustments	(31.65)
Balance as at 31 March 2017	66.14
Net Investment Property - Reclassified	52.27
Balance as at 31 March 2018	118.41
Accumulated Depreciation	
At 1 April 2016	—
Depreciation charge for the year	2.54
Disposals/adjustments for the year	1.72
Balance as at 31 March 2017	4.26
Depreciation charge for the year	1.45
Investment Property - reclassified	(0.84)
Balance as at 31 March 2018	4.87
Net book value as at 31 March 2017	61.88
Net book value as at 31 March 2018	113.54

Investment property is recognised and valued using cost model. Depreciation is calculated using straight line method on the basis of useful life of assets

(i) Contractual obligations

There is no contractual commitment for the acquisition of Investment Property.

(ii) Capitalised borrowing cost

No borrowing costs were capitalised during the year ended 31 March 2018 or previous ended 31 March 2017.

(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

	31 March 2018	31 March 2017
Rental income	176.13	212.73
Direct operating expenses that generated rental income	47.44	55.23
Direct operating expenses that did not generated rental income	96.79	55.27
Profit from leasing of investment properties	31.90	102.23

(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	31 March 2018	31 March 2017
Fair value	4,168.59	2,490.69

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- a) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- b) discounted cash flow projections based on reliable estimates of future cash flows.
- c) restrictions on remittance of income receipts or receipt of proceeds from disposals.
- d) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.
- e) The fair values of investment properties have been determined by external valuer. The main inputs used are rental growth rates, expected vacancy rates, terminal yield and discount rates based on industry data.

Note No. 4

OTHER INTANGIBLE ASSETS

(₹ in lakhs)

	Goodwill	Other Intangible Assets		
		Softwares	Brand Value	Total
Gross carrying amount				
Balance as at 1 April 2016	689.32	548.22	332.63	880.86
Additions	—	98.02	—	98.02
Disposals/adjustments	—	—	—	—
Balance as at 31 March 2017	689.32	646.24	332.63	978.88
Additions	—	98.94	—	98.94
Disposals/adjustments	—	0.01	—	0.01
Balance as at 31 March 2018	689.32	745.19	332.63	1,077.83
Accumulated amortisation				
Balance as at 1 April 2016	—	122.23	38.00	160.23
Amortisation charge for the year	—	151.05	38.00	189.05
Disposals/adjustments for the year	—	—	—	—
Balance as at 31 March 2017	—	273.28	76.00	349.28
Amortisation charge for the year	—	163.28	38.00	201.28
Disposals/adjustments for the year	—	—	—	—
Impairment	689.32	—	—	—
Balance as at 31 March 2018	689.32	436.56	114.00	550.56
Net book value as at 31 March 2017	689.32	372.96	256.63	629.60
Net book value as at 31 March 2018	—	308.63	218.63	527.27

(₹ in lakhs)

Note No. 5

NON CURRENT INVESTMENT

Unquoted, unless otherwise stated

	As at 31 March 2018		As at 31 March 2017	
	No of Shares	Amount	No of Shares	Amount
Trade Investments				
Investment in Equity Instruments (Fully paid stated at Cost)				
In Joint Venture Companies				
Balmer Lawrie -Van Leer Ltd. Ordinary Equity shares of ₹ 10 each	8,601,277	6,817.52	8,601,277	6,885.88
Transafe Services Ltd. Ordinary equity shares of ₹ 10 each	11,361,999	1,165.12	11,361,999	1,165.12
Less Provision for diminution in value (Carried in books at a value of ₹ 1 only)		(1,165.12)		(1,165.12)
Balmer Lawrie (UAE) LLC Shares of AED 1,000 each	9,800	20,961.23	9,800	18,956.86
In Associate Company				
AVI-OIL India (P) Ltd. Equity shares of ₹ 10 each	4,500,000	1,467.17	4,500,000	1,276.99
Investments in Preference Shares (Fully paid stated at Cost)				
Transafe Services Ltd. Cumulative Redeemable Preference shares of ₹ 10 each	13,300,000	1,330.00	13,300,000	1,330.00
Less Provision for diminution in value		(1,330.00)		(1,330.00)
Total		29,245.92		27,119.73
Other Investments				
Equity shares of ₹ 10 each Bridge & Roof Co. (India) Ltd. **	357,591	14.01	357,591	14.01
Biecco Lawrie Ltd ** (Carried in books at a value of ₹ 1 only)	195,900	—	195,900	—
Woodlands Multispeciality Hospitals Ltd.	8,850	0.45	8,850	0.45
Total		14.46		14.46
Total		29,260.38		27,134.19
Aggregate amount of quoted investments at Cost		—		—
Aggregate amount of unquoted investments at cost		29,260.38		27,134.19
		29,260.38		27,134.19

**These investments are carried at fair value through Profit and Loss and their carrying value approximates their fair value.

(₹ in lakhs)

Note No. 6

NON CURRENT ASSETS

	As at 31 March 2018	As at 31 March 2017
Financial Assets (Non-Current)		
Loans		
Secured considered good		
Security Deposits		
Loans to Related Parties		
Key Managerial Persons (KMP)		
Other Loans	248.29	305.28
Unsecured considered good		
Security Deposits		
Loans to Related Parties		
Transafe Services Ltd	180.00	180.00
Other Loans		
Doubtful		
Security Deposits	—	—
Loans to Related Parties		
Balmer Lawrie Van-Leer Ltd	—	1,817.92
Others to Related Parties		1,248.53
Others	8.25	—
Provision for doubtful Loans		
Security Deposits		
Loans to Related Parties	—	(1,817.92)
Others to Related Parties		(1,248.53)
Others	(8.25)	—
	428.29	485.28

(*) 11,361,999 (11,361,999) Equity Shares of Transafe Services Ltd. held by Balmer Lawrie Van Leer Ltd. have been pledged in favour of the Company as a security against Loan.

(₹ in lakhs)

Note No. 7

OTHER FINANCIAL ASSETS (NON-CURRENT)

	As at 31 March 2018	As at 31 March 2017
Accrued Income		
Security Deposits	496.06	448.16
Other Receivables	58.55	52.93
Dues from Related Parties - Doubtful		
Transafe Services Ltd	80.87	80.87
Less : Provision	(80.87)	(80.87)
	554.61	501.09

(₹ in lakhs)

Note No. 8

DEFERRED TAX

	As at 31 March 2018	As at 31 March 2017
Deferred tax liability arising on account of :		
Property, plant and equipment	(5,089.96)	(4,934.02)
Deferred tax asset arising on account of :		
Adjustment for VRS expenditure	299.05	487.75
Provision for loans, debts, deposits & advances	2,135.48	2,346.99
Defined benefit plans	718.82	1,902.61
Provision for Inventory	122.81	135.26
Provision for dimunition in investment	863.17	863.51
Impairment of assets	132.06	—
Net Liability due to profit transfer of Group Companies	(5,496.19)	(4,004.31)
Others	—	—
	<u>(6,314.76)</u>	<u>(3,202.21)</u>

Movement in Deferred Tax Liabilities

Particulars	As at 31 March 2017	Recognised in profit and loss	Recognised in Other Comprehensive Income	As at 31 March 2018
Property, plant and equipment	(4,934.02)	(155.94)	—	(5,089.96)
Adjustment for VRS expenditure	487.75	(188.70)	—	299.05
Provision for loans, debts, deposits & advances	2,346.99	(211.51)	—	2,135.48
Defined benefit plans	1,902.61	(1,101.12)	(82.67)	718.82
Provision for Inventory	135.26	(12.45)	—	122.81
Provision for dimunition in investment	863.51	(0.34)	—	863.17
Impairment of assets	—	132.06	—	132.06
Net Liability due to profit transfer of Group Companies	(4,004.31)	—	(1,491.88)	(5,496.19)
Others	—	—	—	—
	<u>(3,202.21)</u>	<u>(1,538.00)</u>	<u>(1,574.55)</u>	<u>(6,314.76)</u>

(₹ in lakhs)

Note No. 9

NON FINANCIAL ASSETS (NON-CURRENT)

	As at 31 March 2018	As at 31 March 2017
Capital Advances	152.81	100.08
Balances with Government Authorities	263.13	230.37
Prepaid Expenses	7,670.65	3,250.06
Others	101.88	134.65
	<u>8,188.47</u>	<u>3,715.16</u>

Note No. 10

INVENTORIES

Raw Materials and components	8,556.08	8,846.73
Goods-in-transit	1.00	1.01
Slow Moving & Non moving	175.09	241.97
Less: Adjustment for Slow & Non moving	(131.12)	(161.64)
Total - Raw Materials and components	<u>8,601.05</u>	<u>8,928.07</u>
Work in Progress	1,286.44	1,097.87
Slow Moving & Non moving	1.38	14.49
Less; Adjustment for Slow & Non moving	(0.75)	(7.70)
Total - Work in Progress	<u>1,287.07</u>	<u>1,104.66</u>
Finished goods	2,933.91	4,125.57
Goods-in transit	114.22	270.49
Slow Moving & Non moving	150.58	220.03
Less: Adjustment for Slow & Non moving	(91.31)	(127.09)
Total - Finished Goods	<u>3,107.40</u>	<u>4,489.00</u>
Stores and spares	625.03	620.85
Slow Moving & Non moving	174.44	121.47
Less: Adjustment for Slow & Non moving	(131.67)	(94.41)
Total - Stores & Spares	<u>667.80</u>	<u>647.91</u>
Total	<u>13,663.32</u>	<u>15,169.64</u>

[Refer to Point No.1.6 of "Significant Accounting Policies" for method of valuation of inventories]

(₹ in lakhs)

Note No. 11**TRADE RECEIVABLES**

	As at 31 March 2018	As at 31 March 2017
Trade Receivables outstanding for a period less than six months		
Secured, considered good		
Unsecured, considered good	24,945.08	25,727.66
Unsecured, considered doubtful	4.64	1.61
Less: Provision for doubtful debts	(4.64)	(1.61)
	24,945.08	25,727.66
Trade Receivables outstanding for a period exceeding six months		
Secured, considered good		
Unsecured, considered good	2,033.25	2,432.89
Unsecured, considered doubtful	804.98	601.18
Less: Provision for doubtful debts	(804.98)	(601.18)
	2,033.25	2,432.89
Total	26,978.33	28,160.55

Note No. 12**CASH AND BANK BALANCES**

Cash in hand	3.94	30.94
Cheques in hand	—	—
Balances with Banks - Current Account	7,587.59	5,193.80
Total	7,591.53	5,224.74

There are no repatriation restrictions with respect to cash and bank balances available with the Company.

Note No. 13**OTHER BANK BALANCES**

Unclaimed Dividend Accounts	234.67	231.86
Bank Term Deposits	42,703.13	47,457.35
Margin Money deposit with Banks	69.76	69.70
Total	43,007.56	47,758.91

(₹ in lakhs)

Note No. 14

CURRENT ASSETS

	As at 31 March 2018	As at 31 March 2017
Financial Assets (Current)		
Loans		
Secured considered good		
Security Deposits		
Loans to Related Parties		
Other Loans (Employees)	85.01	84.38
Unsecured considered good		
Security Deposits		
Advances to Related Parties *		
Balmer Lawrie Investments Ltd.	—	7.46
Pt. Balmer Lawrie Indonesia	31.33	27.64
Balmer Lawrie Van Leer Ltd.	—	5.18
Transafe Services Ltd.	86.76	67.03
Balmer Lawrie UAE Ltd.	51.33	36.66
	<u>169.42</u>	143.97
Other Loans and advances (Employees)	19.61	30.83
Other Loans and advances	158.04	127.36
	<u>432.08</u>	<u>386.54</u>

* Advances to related parties are in the course of regular business transactions

Note No. 15

OTHER FINANCIAL ASSETS (CURRENT)

Unsecured		
Accrued Income	2,240.70	1,910.07
Security Deposits	841.46	822.17
Other Receivables -considered good	24,120.12	18,034.77
Other Receivables - considered doubtful	2,219.34	2,366.32
Less - Provision for doubtful receivables	(2,219.34)	(2,366.32)
	<u>27,202.28</u>	<u>20,767.01</u>

Note No. 16

NON FINANCIAL ASSETS (CURRENT)

Balances with Government Authorities	1,519.81	2,029.51
Prepaid Expenses	963.61	653.08
Advances to Contractors & Suppliers -Good	1,706.64	1,813.61
Advances to Contractors & Suppliers -Doubtful	823.85	665.22
Less : Provision for Doubtful Advances	(823.85)	(665.22)
Other Advances to related parties	311.95	600.00
Others	2,941.55	2,652.93
	<u>7,443.56</u>	<u>7,749.13</u>

(₹ in lakhs)

Note No. 17

EQUITY SHARE CAPITAL

	As at 31 March 2018	As at 31 March 2017
Authorised Capital		
120,000,000 (previous year 60,000,000) equity shares of ₹ 10 each	12,000.00	12,000.00
	<u>12,000.00</u>	<u>12,000.00</u>
Issued and Subscribed Capital		
114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each	11,400.25	11,400.25
Paid-up Capital		
114,002,564 (previous year 28,500,641) equity shares of ₹ 10 each	11,400.25	11,400.25
	<u>11,400.25</u>	<u>11,400.25</u>

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	114,002,564	11,400.25	28,500,641	2,850.06
Bonus shares issued during the year		—	85,501,923	8,550.19
Equity shares at the end of the year	<u>114,002,564</u>	<u>11,400.25</u>	<u>114,002,564</u>	<u>11,400.25</u>

b) Rights/preferences/restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

	As at 31 March 2018		As at 31 March 2017	
	No of shares	% holding	No of shares	% holding
Equity shares of ₹ 10 each fully paid up				
Balmer Lawrie Investment Ltd.	70,452,900	61.80%	70,452,900	61.80%

i) There are no other individual shareholders holding 5% or more in the issued share capital of the Company.

(₹ in lakhs)

Note No. 18

OTHER EQUITY

	As at 31 March 2018	As at 31 March 2017
Share Premium Reserve	3,626.77	3,626.77
General Reserve	35,603.82	35,603.82
Retained Earnings	93,732.13	84,424.80
Foreign Currency Translation Reserve	1,109.62	1,034.85
Other Comprehensive Income Reserve	100.14	45.65
Total Reserve	134,172.48	124,735.89
	For the year 31 March 2018	For the year 31 March 2017
Share Premium Reserve		
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	41,154.01
Less : Bonus Shares issued	—	(8,550.19)
Amount transferred from retained earnings	—	3,000.00
Sub total (B)	35,603.82	35,603.82
Retained Earnings		
Opening balance	84,424.80	74,471.62
Add : Net profit for the year	16,637.59	15,480.97
Less : Appropriations		
Transfer to general reserve	—	(3,000.00)
Equity dividend	(7,980.18)	(5,700.13)
Tax on equity dividend	(1,669.77)	(1,192.69)
Non Controlling Interest	(121.38)	—
Re-measurement Gain/Loss	(156.21)	—
Other adjustment	2,597.27	4,365.03
Net surplus in Retained Earnings (C)	93,732.13	84,424.80
Foreign Currency Translation Reserve		
Opening balance	1,034.84	2,033.22
Movement	74.77	(998.38)
Sub total (D)	1,109.61	1,034.84
Other Comprehensive Income (OCI) Reserve		
Opening balance	45.65	(261.63)
Movement	54.49	307.28
Sub total (D)	100.14	45.65
Total (A+B+C+D)	134,172.47	124,735.89
Total Reserves - 2018		134,172.47
Total Reserves - 2017		124,735.89

Nature and purpose of Other Reserves**Share Premium Reserve**

Share Premium Reserve represents premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Other Comprehensive Income (OCI) Reserve

- (i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Fair Value through Other Comprehensive Income (FVOCI) equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.
- (ii) The Company has recognised remeasurement benefits on defined benefits plans through Other Comprehensive Income

(₹ in lakhs)

Note No. 19**NON CURRENT LIABILITIES**

	As at 31 March 2018	As at 31 March 2017
Financial Liabilities (Non-Current)		
Borrowings	1,115.99	—
Trade Payable		
Other Financial Liabilities		
Deposits	49.82	21.85
Other Liabilities	—	—
	1,165.81	21.85

The Company has availed Term Loan of ₹ 15 Crores for its integrated cold chain facilities at Rai and Patalganga from Standard Chartered Bank to obtain Grant - in- aid from Ministry of food Processing Industries (MoFPI). The Term Loan has an interest rate as 6 months MCLR applicable at the time of disbursement of Term Loan. The Loan is secured against the fixed and movable assets of Temperature Controlled Warehouses at Rai and Patalganga respectively. The Loan is repayable in 12 equal instalments starting from 18 months from the date of first drawal.

Note No. 20**PROVISIONS (NON - CURRENT)**

	As at 31 March 2018	As at 31 March 2017
Actuarial Provision	1,942.85	3,391.40
Long term Provisions	1,834.63	2,187.90
	3,777.48	5,579.30

Note No. 21**NON FINANCIAL LIABILITIES (NON - CURRENT)**

	As at 31 March 2018	As at 31 March 2017
Advances from Customers	3.55	3.55
Others	3.51	0.57
	7.06	4.12

(₹ in lakhs)

Note No. 22

FINANCIAL LIABILITIES (CURRENT)

	As at 31 March 2018	As at 31 March 2017
Borrowings	374.35	—
Trade Payable		
Payable to MSME	199.31	94.45
Other Trade Payable	32,119.62	30,617.28
	32,318.93	30,711.73

Borrowings refer details given in Note 19

Note No. 23

OTHER FINANCIAL LIABILITIES

Unclaimed Dividend *	234.67	231.86
Security Deposits	3,192.94	2,700.78
Other Liabilities	12,174.25	11,215.34
	15,601.86	14,147.99

* There is no amount due and outstanding as at Balance Sheet date to be credited to Investor Education and Protection Fund

Note No. 24

NON FINANCIAL LIABILITIES (CURRENT)

Advance from Customers	1,247.06	976.85
Statutory Dues	659.98	1,827.56
Deferred Gain/Income	181.66	2.50
Other Liabilities	3,958.08	4,067.11
	6,046.78	6,874.02

Note No. 25

CURRENT PROVISIONS

Actuarial Provision	341.39	350.64
Short term Provisions	162.94	1,640.24
	504.33	1,990.88

Note No. 26

CURRENT TAX LIABILITIES

Provision for Taxation (Net of advance)	2,486.19	4,323.57
	2,486.19	4,323.57

(₹ in lakhs)

Note No. 27**REVENUE FROM OPERATIONS**

	For The Year Ended 31 March 2018	For The Year Ended 31 March 2017
Sale of Products	103,544.77	105,334.07
Sale of Services	65,973.00	71,523.95
Sale of Trading Goods	714.68	1,148.67
Other Operating Income	5,531.34	4,801.56
Total	175,763.79	182,808.25

Note No. 28**OTHER INCOME**

Interest Income		
Bank Deposits	2,808.74	3,516.91
Others	103.71	251.02
	2,912.45	3,767.93
Dividend Income	3.19	—
Other Non-operating Income		
Profit on Disposal of Fixed assets	14.04	5.13
Unclaimed balances and excess provision written back	1,389.06	896.59
Gain on Foreign Currency Transactions (net)	265.80	447.26
Miscellaneous Income	479.22	446.89
Other Non-operating Income	2,148.12	1,795.87
Total	5,063.76	5,563.80

Note No. 29**COST OF MATERIALS CONSUMED & SERVICES RENDERED**

Cost of Materials Consumed	68,601.55	63,615.21
Cost of Services Rendered	37,148.17	43,325.65
Total	105,749.72	106,940.86

Note No. 30**PURCHASE OF TRADING GOODS**

Trading Goods	712.43	1,148.67
Total	712.43	1,148.67

(₹ in lakhs)

Note No. 31

**CHANGES IN INVENTORIES OF TRADING GOODS,
WORK-IN-PROGRESS AND FINISHED GOODS**

		For the year ended 31 March 2018	For the year ended 31 March 2017
Change in Work In Progress			
	Opening	1,104.66	1,075.82
	Closing	1,287.07	1,104.66
	Change	(182.41)	(28.84)
Change in Finished Goods			
	Opening	4,489.00	4,479.40
	Closing	3,107.40	4,489.00
	Change	1,381.60	(9.60)
Total		1,199.19	(38.44)

Note No. 32

EMPLOYEE BENEFIT EXPENSES

Salaries and Incentives	16,074.76	15,107.32
Contributions to Provident & Other Funds	2,266.96	3,350.98
Staff Welfare Expenses	1,478.77	1,494.46
Total	19,820.49	19,952.76

Note No. 33

FINANCE COSTS

Interest Cost	288.61	322.44
Bank Charges*	134.12	131.26
Total	422.73	453.70

* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

Note No. 34

DEPRECIATION & AMORTISATION EXPENSES

Depreciation		
Property Plant & Equipment	2,486.82	2,396.30
Investment Properties	1.45	1.72
Amortisation of Intangible Assets	201.28	189.05
Total	2,689.55	2,587.07

(₹ in lakhs)

Note No. 35

OTHER EXPENSES

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Manufacturing Expenses	1,493.78	1,437.15
Consumption of Stores and Spares	896.69	841.90
Excise duty on Closing Stock (Refer Note no. 40.17)	—	103.87
Repairs & Maintenance - Buildings	611.37	635.48
Repairs & Maintenance - Plant & Machinery	367.64	375.13
Repairs & Maintenance - Others	571.95	540.06
Power & Fuel	2,342.15	2,341.49
Electricity & Gas	406.82	370.61
Rent	1,045.73	1,083.61
Insurance	249.90	205.55
Packing, Despatching, Freight and Shipping Charges	4,484.51	3,920.07
Rates & Taxes	111.23	139.25
Auditors Remuneration and Expenses	26.42	25.39
Impairment of assets	1,070.91	—
Write Off of Debtors ,Deposits, Loan & Advances	3,098.92	544.08
Provision for Doubtful Debts & Advances	1,132.84	1,554.72
Fixed Assets Written Off	16.05	0.91
Loss on Disposal of Fixed Assets	9.37	1.77
Selling Commission	680.03	583.11
Cash Discount	309.27	285.48
Travelling Expenses	969.33	1,020.28
Printing and Stationary	232.87	226.12
Motor Car Expenses	153.61	143.77
Communication Charges	328.62	421.11
Corporate Social Responsibility Expenses	438.34	412.70
Miscellaneous Expenses	5,024.29	4,580.19
	26,072.64	21,793.80
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back	(2,973.11)	(241.95)
Total	23,099.53	21,551.85

Note No. 36

TAX EXPENSE

Current tax	7,089.59	9,054.75
Deferred tax	1,538.00	(481.99)
Prior period	(1,279.00)	(450.00)
	7,348.59	8,122.76

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in profit or loss are as follows.

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
	(₹ in lakhs)	
Accounting profit before income tax	23,829.97	23,603.74
At country's statutory income tax rate of 34.608% (31 March 2016 and 2017 : 34.608%)	34.608%	34.608%
Tax Expense	8,247	8,169
Current Income tax of Foreign Subsidiary	11	14
Impact of P&L of subsidiaries	78	—
Adjustments in respect of current income tax		
Exempt Dividend Income	(1)	—
Foreign Dividend Income, taxed at a different rate	—	—
Non-deductible expenses for tax purposes		
Provisions (net)	(481)	1,173
CSR Expenses	152	143
Gratuity Liability of previous year paid in current year	(653)	—
VRS Expenses	(189)	(142)
Depreciation Difference	(52)	(272)
Impairment of asset	132	—
Additional Deduction for R&D expenses in I TAX	(154)	(30)
Adjustments in respect of Previous years income tax	(1,279)	(450)
	5,811	8,605

Note No. 37

OTHER COMPREHENSIVE INCOME

(A) Items that will not be reclassified to profit or loss

(i) Re-measurement gains/ (losses) on defined benefit plans	238.88	101.36
Income tax effect	(82.67)	(55.71)
(ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income		
Income tax effect		
	156.21	45.65
(B) Items that will be reclassified to profit or loss	—	—
	156.21	45.65

Note No. 38

EARNINGS PER EQUITY SHARE

The Company's Earnings Per Share ('EPS') is determined based on the net profit after tax attributable to the shareholders' of the Company being used as the numerator. Basic earnings per share is computed using the weighted average number of shares outstanding during the year as the denominator. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Face value of the shares is ₹10.

Net profit attributable to equity shareholders		
Profit after tax	16,481.38	15,480.98
Profit attributable to equity holders of the parent adjusted for the effect of dilution	16,481.38	15,480.98
Nominal value of equity share (₹)	10	10
Weighted-average number of equity shares for basic EPS	114,002,564	114,002,564
Basic/Diluted earnings per share (₹)	14.46	13.58

Note No. 39

ACCOUNTING FOR EMPLOYEE BENEFITS

Defined Contribution Plans

The disclosures are made consequent to adoption of Ind AS 19 on Employee Benefits, issued by the Institute of Chartered Accountants of India, by the group. Defined Benefit Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain /loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

The group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 1,141.58 lakhs (₹ 976.18 lakhs); Superannuation fund ₹ 602.96 lakhs (₹ 474.73 lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 22.26 lakhs (₹ 13.24 lakhs).

Defined Benefit Plans**Post Employment Benefit Plans****A. Gratuity**

The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive fifteen days salary for each year of completed service at the time of superannuation/exit. Any shortfall in obligations is met by the group by way of transfer of requisite amount to the fund.

The reconciliation of the group's defined benefit obligations (DBO) and plan assets in respect of gratuity plans to the amounts presented in the statement of financial position is presented below:

(₹ in lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17
Defined benefit obligation	5,531.35	5,835.57
Fair value of plan assets	5,508.91	4,023.43
Net defined benefit obligation	22.44	1,812.14

- (i) The movement of the group's defined benefit obligations in respect of gratuity plans from beginning to end of reporting period is as follows:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Opening value of defined benefit obligation	5,835.57	4,373.01
Add: Current service cost	326.51	322.14
Add: Current interest cost	437.68	300.03
Plan amendment : Vested portion at end of period(past service)	—	1,519.83
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	—	—
- changes in experience adjustment	(147.36)	(409.54)
- changes in financial assumptions	(219.42)	244.99
Less: Benefits paid	(701.64)	(514.88)
Closing value of defined benefit obligation	5,531.35	5,835.57
Thereof-		
Unfunded	22.44	1,812.14
Funded	5,508.91	4,023.43

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions for the parent company:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Discount rate (per annum)	7.98%	7.29%
Rate of increase in compensation levels/Salary growth rate	6.00%	6.00%
Expected average remaining working lives of employees (years)	12	11

(₹ in lakhs)

(iii) The reconciliation of the plan assets held for the group's defined benefit plan from beginning to end of reporting period is presented below:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Opening balance of fair value of plan assets	4,023.43	4,145.66
Add: Contribution by employer	1,887.22	—
Return on Plan Assets excluding Interest Income	(21.17)	90.43
Add: Interest income	321.07	302.22
Less: Benefits paid	(701.64)	(514.88)
Closing Balance of Fair Value of Plan Assets	5,508.91	4,023.43

(iv) Expense related to the group's defined benefit plans in respect of gratuity plan is as follows:

Amount recognised in Other comprehensive Income	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Actuarial (gain)/loss on obligations-change in demographic assumptions	—	—
Actuarial (gain)/loss on obligations-change in financial assumptions	(219.42)	244.99
Actuarial (gain)/loss on obligations-Experience Adjustment	(147.36)	(409.54)
Return on Plan Assets excluding Interest Income	(21.17)	90.43
Total expense recognized in the statement of Other Comprehensive Income	(345.61)	(254.98)

Amount recognised in statement of Profit & Loss	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Current service cost	326.51	322.14
Past service cost (vested)	—	1,519.83
Net Interest cost (Interest Cost-Expected return)	116.61	(2.19)
Total expense recognized in the statement of Profit & Loss	443.13	1,839.77

Amount recognised in Balance Sheet	As at 31-Mar-18	As at 31-Mar-17
Defined benefit obligation	5,531.35	5,835.57
Classified as:		
Non-Current	4,771.63	5,310.21
Current	759.72	525.36

Particulars	As at 31-Mar-18	As at 31-Mar-17
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	299.90	392.65

- (v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets can be broken down into the following major categories of investments:

Particulars	As at 31-Mar-18	As at 31-Mar-17
Government of India securities/ State Government securities	46.30%	40.81%
Corporate bonds	47.59%	53.01%
Others	6.11%	6.18%
Total Plan Assets	100.00%	100.00%

(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:

Since the sensitivity analysis for the individual companies have been carried out using different assumptions, hence consolidated figures for the same are not given and sensitivity for the parent company is reproduced below.

(₹ in lakhs)

Particulars	31-Mar-2018	
	Increase	Decrease
Changes in Discount rate in %	0.5	0.5
Defined benefit obligation after change	5,382	5,689
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	(149)	157

Changes in Salary growth rate in %	0.5	0.5
Defined benefit obligation after change	5,625	5,441
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	93	(90)

Changes in Attrition rate in %	0.5	0.5
Defined benefit obligation after change	5,535	5,528
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	4	(4)

Changes in Mortality rate in %	10	10
Defined benefit obligation after change	5,561	5,501
Original defined benefit obligation	5,531	5,531
Increase/(decrease) in defined benefit obligation	30	(30)

Particulars	31-Mar-17	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	5,661	6,020
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	(174)	184

Changes in Salary growth rate in %	0.50	0.50
Defined benefit obligation after change	5,944	5,731
Original defined benefit obligation	5,836	5,836
Original defined benefit obligation	108	(105)

(₹ in lakhs)

Particulars	31-Mar-17	
	Increase	Decrease
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	5,835	5,836
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	(1)	1

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	5,839	5,832
Original defined benefit obligation	5,836	5,836
Increase/(decrease) in defined benefit obligation	4	(4)

B. Post retirement medical benefits scheme (Non-funded)

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependant spouse, parents and children as per applicable rules.

Particulars	31-Mar-18	31-Mar-17
Opening value of defined benefit obligation	348.71	328.98
Add: Current service cost		
Add: Current interest cost	23.73	19.48
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	—	—
- changes in experience adjustment	127.47	103.87
- changes in financial assumptions	(20.74)	19.84
Less: Benefits paid	(102.57)	(123.46)
Closing value of defined benefit obligation	376.60	348.71
Thereof-		
Unfunded	376.60	348.71
Funded	—	—

Amount recognised in OCI	31-Mar-18	31-Mar-17
Actuarial (gain)/loss on obligations-change in demographic assumptions	—	—
Actuarial (gain)/loss on obligations-change in financial assumptions	(20.74)	19.84
Actuarial (gain)/loss on obligations-Experience Adjustment	127.47	103.87
Total expense recognized in the statement of Other Comprehensive Income	106.73	123.71

Amount recognised in statement of Profit & Loss	31-Mar-18	31-Mar-17
Current service cost	—	—
Net Interest cost (Interest Cost-Expected return)	24	19
Total expense recognized in the statement of Profit & Loss	24	19

Assumptions	31-Mar-18	31-Mar-17
Discount rate (per annum)	7.98%	7.29%
Superannuation age	60	60
Early retirement & disablement	1.00%	1.00%

(₹ in lakhs)

Amount recognised in Balance Sheet	31-Mar-18	31-Mar-17
Defined benefit obligation	376.60	348.71
Classified as:		
Non-Current	316.78	293.80
Current	59.82	54.91

(iv) Sensitivity Analysis

The significant actuarial assumption for the determination of defined benefit obligation in respect of Post retirement medical benefits 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:

Since the sensitivity analysis for the individual companies have been carried out using different assumptions, hence consolidated figures for the same are not given and sensitivity for the parent company is reproduced below.

Particulars	31-Mar-18	
	Increase	Decrease
Changes in Discount rate in %	0.5	0.5
Defined benefit obligation after change	365	387
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(11)	(11)

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	368	383
Original defined benefit obligation	377	377
Increase/(decrease) in defined benefit obligation	(8)	6

Particulars	31-Mar-17	
	Increase	Decrease
Changes in Discount rate in %	0.50	0.50
Defined benefit obligation after change	338	338
Original defined benefit obligation	349	349
Increase/(decrease) in defined benefit obligation	(11)	(11)

Changes in Mortality rate in %	10.00	10.00
Defined benefit obligation after change	342	354
Original defined benefit obligation	349	349
Increase/(decrease) in defined benefit obligation	(7)	5

(₹ in lakhs)

C. Other long term benefit plans

Leave encashment (Non-funded), long service award (Non-funded) and half pay leave (Non-funded)

The group provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each Balance Sheet date on the basis of an independent actuarial valuation. Amount of ₹ 603.51 lakhs [₹ (-)24.76 lakhs] has been recognised in the statement of Profit and Loss.

Leave encashment (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	190.78	195.50
Amount recognized in Balance Sheet – Non Current	760.36	2,254.70

Long service award is given to the employees to recognise long and meritorious service rendered to the company. The minimum eligibility for the same starts on completion of 10 years of service and there after every 5 years of completed service. Amount of ₹ (-)37.60 lakhs [₹ (-) 37.07 lakhs] has been recognised in the statement of Profit and Loss.

Long service award (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	41.26	58.56
Amount recognized in Balance Sheet – Non Current	351.83	372.14

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ 50.96 lakhs (₹ 110.81 lakhs) has been recognised in the statement of Profit and Loss.

Half pay Leave (Non-funded)	31-Mar-18	31-Mar-17
Amount recognized in Balance Sheet – Current	49.52	41.68
Amount recognized in Balance Sheet – Non Current	513.88	470.76

Note No. 40

ADDITIONAL DISCLOSURES

40.1 Disclosure of Interests in Subsidiary and Joint Venture Companies

Name of Subsidiary / Joint Venture Company	Nature of Relationship	Proportion of Shareholding	Country of Incorporation
Balmer Lawrie (UK) Ltd.	Subsidiary	100%	United Kingdom
Visakhaptanam Port Logistics Park Ltd	Subsidiary	60%	India
Balmer Lawrie (UAE) Llc.	Joint Venture	49%	United Arab Emirates
Balmer Lawrie - Van Leer Ltd.	Joint Venture	48%	India
Transafe Services Ltd.	Joint Venture	50%	India
Avi - Oil India Private Ltd.	Associate	25%	India

Note: The accounting year of all the aforesaid companies is the financial year except for Balmer Lawrie (UAE) Llc which follows calendar year as the accounting year.

40.2 7,04,52,900 (7,04,52,900) Equity Shares are held by Balmer Lawrie Investments Ltd. (Holding Company).

- 40.3 (a) Fixed Deposit with bank amounting to ₹ 0.85 Lakhs (₹ 0.79 Lakhs) are lodged with certain authorities as security.
- (b) Conveyance deeds of certain land costing ₹ 2,541.35 Lakhs (₹ 2,598.32 Lakhs) and buildings, with written down value of ₹ 3,040.20 Lakhs (₹ 3,008.07 Lakhs) are pending registration / mutation.
- (c) Certain buildings & sidings with written down value of ₹ 6,662.84 Lakhs (₹ 6,772.63 Lakhs) are situated on leasehold/rented land.

40.4 Contingent Liabilities as at 31st March, 2018 not provided for in the accounts are:

- (a) Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax and Sales Tax amounting to ₹ 14,495.05 Lakhs (₹ 15,106.53 Lakhs) against which the Company has lodged appeal/petition before appropriate authorities.
- (b) Claims against the company not acknowledged as debts amount to ₹ 1,037.91 Lakhs (₹ 1,098.59 Lakhs) in respect of which the Company has lodged appeals/petitions before appropriate authorities. In respect of employees/ex-employees related disputes financial effect is ascertainable on settlement; no settlement was reached during the year.
- 40.5 (a) Counter guarantees given to various banks in respect of guarantees/loans given by them amount to ₹ 9,312.85 Lakhs (₹ 10,392.75 Lakhs).
- (b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹ 3,589.20 Lakhs (₹ 9,169.56 Lakhs).

40.6 Segment Reporting

Information about business and geographical segment for the year ended 31st March, 2018 in respect of reportable segments as defined by the Institute of Chartered Accountants of India in the Ind AS – 108 in respect of “Operating Segments” is attached as Annexure - A.

40.7 Continuous losses incurred by a joint venture, Transafe Services Ltd. over the last few years have resulted in negative net worth of ₹ 9,484.17 lakhs as on 31st March 2018. Based on negative net worth of ₹ 732.54 lakhs as on 31st March 2013 a reference application was made to BIFR under Sec. 15 of the Sick Industrial Companies Act 1985 on 22nd July 2013 which was registered by BIFR under case no. 83/2013 and confirmed by their letter dated 25th November 2013. The same was pending with BIFR. The Ministry of Finance vide its notification nos S.O.3568 (E) and 3699 (E) has repealed SICA, 1985 and dissolved the BIFR. Consequently all pending references/appeals before BIFR stands abated.

The management of TSL in order to revive the Company has approached all the five consortium banks for One Time Settlement (OTS) and waiver of 50% existing Term Loans, Working Capital, Preference Share Capital with the sole objective of reducing the ever mounting finance charges which has been strangulating the Company. Simultaneously, the company is also in final stages of discussion with a strategic partner to bring in the fund to finance the OTS and also become the 50% equity holder of the Company through restructuring and disinvestment of the share of Balmer Lawrie Van Leer.

With such restructuring and participation of the strategic partner, TSL is expected to revive through reduction of finance charges and easing out funds through working capital for its day to day business operation. The proposed OTS is expected to bring out the Company from a negative net worth to a positive zone. All the business segments of TSL are separate cash generating unit and based on their future projections, it is expected to continue to remain so.

In context of the above, a business enterprise valuation was carried out by a reputed valuer, where the future discounted cash flows exceeded the carrying value of the assets of the Company. Hence, no provision is required to be made for impairment of loss as per Indian Accounting Standard (Ind AS-36)

40.8 M/s Transafe Services Limited, a Joint Venture Company, where Company holds 50% of the equity shares of the company has defaulted in repayment of dues to Banks amounting to ₹ 7,045.86 Lakhs which were due as on the Balance Sheet date.

40.9 In respect of the Joint Venture Company of the wholly owned subsidiary of the company Balmer Lawrie (UK) Ltd. (BLUK), PT Balmer Lawrie Indonesia, in which BLUK holds 50% of the equity shares, has earned profit of ₹ 490.03 lakhs (loss of ₹ 90.91 lakhs) and positive operating cash flow of ₹ 152.77 lakhs (negative operating cash flow ₹ 45.87 lakhs) during the year ended March 31, 2018.

40.10 Trade receivables, loans and advances and deposits of which confirmations are not received from the parties are subject to reconciliation and consequential adjustments on determination / receipt of such confirmation.

40.11 During the year 5,40,25,985 equity shares of face value ₹ 10/- each have been issued to Visakhapatnam Port Trust by

Visakhapatnam Port logistics Park Ltd (VPLPL) for allotment of leasehold land and no consideration has been received in cash. This represents 40% of the share capital of VPLPL.

- 40.12 (a) The financial statements have been prepared as per Schedule III to the Companies Act, 2013.
- (b) Previous year's figures have been re-grouped or re-arranged wherever so required to make them comparable with current year figures.
- (c) Figures in brackets relate to previous year.
- (d) Previous year figure have been regrouped/reclassified wherever necessary.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA B K Dutta
Partner
Membership No. 016175
New Delhi, 29th May, 2018

Prabal Basu
Chairman &
Managing Director

Shyam Sundar Khuntia
Director (Finance) &
Chief Financial Officer

D Sothi Selvam
K Swaminathan
Ratna Sekhar Adika
Vijay Sharma
Atreyee Borooah Thekedath
Sunil Sachdeva
Directors

Kavita Bhavsar
Secretary

(₹ in lakhs)

Note No. 41

SEGMENT REVENUE

Particulars	31 March 2018			31 March 2017		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	59,492	1,528	57,964	56,635	1,739	54,897
Logistics Infrastructure	19,244	187	19,057	19,887	100	19,787
Logistic Services	33,136	59	33,077	36,733	148	36,585
Travel & Vacations	15,893	162	15,731	16,304	83	16,221
Greases & Lubricants	40,374	140	40,234	44,897	112	44,785
Others	9,782	81	9,701	10,646	112	10,533
Total Segment Revenue	177,922	2,158	175,764	185,101	2,293	182,808

Segment Profit/(Loss) before Interest & Income Tax

Particulars	31 March 2018	31 March 2017
Industrial Packaging	5,842	5,944
Logistics Infrastructure	4,474	4,949
Logistic Services	8,483	8,946
Travel & Vacations	5,294	3,517
Greases & Lubricants	3,096	3,178
Others	(3,360)	(2,930)
Total Segment Profit/(Loss) before Interest & Income Tax	23,830	23,604

Segment Assets

Particulars	31 March 2018				31 March 2017			
	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	31,765	—	—	31,765	30,364	—	—	30,364
Logistics Infrastructure	21,653	—	—	21,653	19,645	—	—	19,645
Logistic Services	7,756	—	—	7,756	14,076	—	—	14,076
Travel & Vacations	32,538	—	—	32,538	22,805	—	—	22,805
Greases & Lubricants	19,349	—	—	19,349	21,577	—	—	21,577
Others	6,331	—	—	6,331	5,912	—	—	5,912
Total Segment Assets	119,393	—	—	119,393	114,379	—	—	114,379
Unallocated								
Deferred tax assets	—	—	—	—	—	—	—	—
Investments	8,738	5,103	—	13,841	8,738	—	—	8,738
Derivative financial instruments	—	—	—	—	—	—	—	—
Other Assets	86,339	—	—	86,339	79,876	—	—	79,876
Total Assets as per the Balance Sheet	214,470	5,103	—	219,573	202,992	—	—	202,992

(₹ in lakhs)

Impairment of Assets

Particulars	31 March 2018	31 March 2017
Industrial Packaging	381.58	—
Logistics Infrastructure	—	—
Logistic Services	—	—
Travel & Vacations	689.31	—
Greases & Lubricants	—	—
Others	—	—
Total Impairment of Assets	1,070.89	—

Segment Liabilities

Particulars	31 March 2018	31 March 2017
Industrial Packaging	9,079	6,991
Logistics Infrastructure	5,148	4,805
Logistic Services	10,961	10,409
Travel & Vacations	17,062	10,399
Greases & Lubricants	6,468	5,901
Others	2,363	1,952
Total Segment Liabilities	51,081	40,457
Intersegment eliminations	—	—
Unallocated		
Deferred tax liabilities	6,315	3,202
Current tax liabilities	2,778	4,575
Current borrowings	—	—
Non current borrowings	—	—
Derivative financial instruments	—	—
Other Liabilities	8,424	18,622
Total Liabilities as per the Balance Sheet	68,598	66,856

Note No. 42

FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2018		31 March 2017	
	FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial Assets				
Equity instruments**	14	—	14	—
Trade receivables	—	26,978	—	28,161
Other receivables	—	24,120	—	18,035
Loans	—	860	—	872
Accrued income	—	2,241	—	1,910
Security deposit	—	841	—	822
Cash and equivalents	—	7,592	—	5,225
Other bank balances	—	43,008	—	47,759
Total	14	105,640	14	102,783
Financial Liabilities				
Trade payable	—	32,319	—	30,712
Security deposit	—	3,243	—	2,723
Other financial liabilities	—	12,174	—	11,215
Derivative financial liabilities	—	—	—	—
Total	—	47,736	—	44,650

*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.

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 (INR)	Cash flow forecasting and monitoring of forex rates on regular basis	Review of cash flow forecasts and hedging through forward contracts

The group's risk management other than in respect of trade receivables is carried out by a corporate department under policies approved in-principle by the board of directors. The policies include principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of surplus funds. Group's risk in respect of trade receivables is managed by the Chief Operating Officer of the respective Strategic Business Units.

A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is primarily from trade receivables and other receivables. The parent company receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous 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 expected credit losses

For Receivables

There are no universal expected loss percentages for the group as a whole. The parent company generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the Company estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Company as a whole, no disclosures have been given in respect of expected credit losses.

For other Financial assets

Loans - are given to regular employees who are on the payroll of the company as per the employment terms and primarily secured in case of house building and vehicle loans. For other loans the amounts are well within the net dues to the employees and hence credit risk is taken as nil.

Accrued income - includes Dividend income from both Indian and foreign JV's/associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly government and public sector undertakings on account of security deposits, earnest money deposits and retention money given as per contractual terms. Based on past records the risk of default is minimal.

Cash & Cash Equivalents - represent cash in hand and balances lying in current accounts with various consortium banks who have high credit ratings

Other Bank balances - mainly represent fixed deposits having maturities up to one year and includes accrued interest on such deposits. These deposits have been taken with various public and private sector banks having the high credit rating.

B) Liquidity risk

Liquidity risk arises from borrowings and other liabilities. The parent company has taken a loan of Rs 15 Crores from Standard Chartered Bank to avail Grant in aid from the Ministry of Food Processing Industries (MoFPI) and expects to repay the same as per schedule. The other group companies have borrowings which are monitored regularly to ensure

timely liquidation of the same.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the group maintains flexibility in funding by maintaining availability under committed facilities. Individual management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entities operate. In addition, the group's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The group does not foresee any problems in discharging their liabilities towards trade payables and other current liabilities as and when they fall due. One group company has liquidity problems which is in the process of being handled by means of restructuring of loans with one time settlement with bankers.

C) Market Risk

Market risk arises due to change in foreign exchange rates or interest rates.

1) Interest rate risk

The group is exposed to interest rate risk to the extent of its investments in fixed deposits with banks. The parent company including one of the JV's has invested in preference share capital of another joint venture company, Transafe services limited which has been entirely provided for in the books of the parent company on account of total erosion of net worth of the JV and hence no further income is being accrued on this account. The parent company has not invested in any other instruments except equity investments. The other company has borrowings on which interest is payable which is susceptible to change in rates.

2) Foreign currency risk

The parent company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Company does not use forward contracts for speculative purposes. The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of Dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED .

Some group companies like Avi-oil significantly import raw materials and is exposed to foreign exchange risk primarily with USD & Euro which is not hedged. Similarly BLVL has business transactions involving several currencies exposing it to foreign currency risk arising from foreign currency receivables and payables which it manages by entering into forward contracts.

D) Capital Management

The Group's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The parent company does not has an insignificant amount of ₹ 15 Crores of debt outstanding on the current Balance sheet date. However, one joint venture, Transafe Services limited is highly leveraged and is having problems in repayment of term loans including interest dues on the same. Efforts are at an advanced stage to address this issue by way of one time settlement and restructuring.

(₹ in lakhs)

Particulars	31 March 2018	31 March 2017
Total Equity	150,975	136,136
Total Assets	219,573	202,992
Equity Ratio	69%	67%

(₹ in lakhs)

Dividends

Particulars	31 March 2018	31 March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2017 of ₹ 7 (31 March 2016 - ₹ 20) per fully paid share (Net of Dividend distribution tax)	7,980.18	5,700.13
(ii) Dividends not recognised at the end of the reporting period	11,400.25	7,980.18
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 10 for the parent company per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

Note No. 43**INTEREST IN OTHER ENTITIES****a) Subsidiaries**

The group's subsidiaries at 31 March 2018 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 2018	31 March 2017	31 March 2018	31 March 2017
Balmer Lawrie UK Ltd.	United Kingdom	100%	100%	NIL	NIL
Vishakhapatnam Port Logistics Park Ltd.	India	60%	100%	40%	NIL

(b) Interest in Associates and Joint Ventures

Name of Entity	Place of business/ country of incorporation	% of Ownership Interest	Relationship	Accounting method
Balmer Lawrie (UAE) LLC	United Arab Emirates	49.00%	Joint Venture	Equity Method
Balmer Lawrie Van Leer Ltd.	India	47.91%	Joint Venture	Equity Method
Transafe Service Ltd.	India	50.00%	Joint Venture	Equity Method
Avi Oil India (P) Ltd.	India	25.00%	Associate	Equity Method
PT Balmer Lawrie Indonesia	Indonesia	50.00%	Joint Venture	Equity Method

Avi Oil India (P) Ltd. is classified as an associate on the basis of the shareholding pattern which leads to significant influence by the Company. Further, in Balmer Lawrie Van Leer Ltd., Transafe Services Ltd. and Balmer Lawrie (UAE) LLC, 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.

(₹ in lakhs)

(i) Commitments and Contingent Liabilities in respect of Associates and Joint Ventures

Summarised Balance Sheet	31 March 2018	31 March 2017
Capital Commitments	608.87	359.60
Contingent Liabilities		
Claims not acknowledged as debts	144.74	184.86
Counter Guarantees	1,946.97	1,835.98
Disputed demands	3,576.38	3,641.13
Total Commitments and Contingent Liabilities	6,276.96	6,021.57

(c) Summarised financial information for Associates and Joint Ventures

Summarised Balance Sheet	Joint Venture Balmer Lawrie (UAE) LLC		Associate Avi Oil India Pvt. Ltd.	
	31 Dec 2017	31 Dec 2016	31 March 2018	31 March 2017
Current Assets	44,294.97	43,761.63	4,585.91	4,190.33
Current Liabilities	6,912.00	10,487.24	321.11	637.34
Net Current Assets	37,382.97	33,274.39	4,264.80	3,552.99
Non-Current Assets	7,841.10	7,562.19	2,074.96	2,072.28
Non-Current Liabilities	2,446.05	2,149.11	471.08	517.31
Net Non-Current Assets	5,395.04	5,413.08	1,603.88	1,554.97
Net Assets	42,778.02	38,687.47	5,868.68	5,107.96

Summarised Balance Sheet	Joint Venture Balmer Lawrie Van Leer Ltd.		Joint Venture Transafe Services Ltd.	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Cash & Cash Equivalents	349.86	515.39	25.08	49.19
Current assets excluding Cash & Cash Equivalents	16,674.82	14,342.89	3,035.09	3,057.99
Current Financial Liabilities (excluding Trade payables)	11,508.03	8,399.21	13,126.88	9,403.98
Other Current Liabilities	5,905.81	5,484.37	2,205.06	2,230.13
Net Current Assets	(389.15)	974.70	(12,271.78)	(8,526.94)
Non-Current Assets	16,149.71	16,932.98	9,933.21	10,463.02
Non-Current Financial Liabilities (excluding Trade payables)	231.52	2,482.85	7,077.62	9,209.32
Other Non-Current Liabilities	1,299.18	1,052.30	67.98	98.73
Net Non-Current Assets	14,619.00	13,397.83	2,787.61	1,154.96
Net Assets	14,229.85	14,372.53	(9,484.17)	(7,371.97)

(₹ in lakhs)

Summarised Balance Sheet	Joint Venture PT Balmer Lawrie Indonesia	
	31 March 2018	31 March 2017
Cash & Cash Equivalents	212.45	12.15
Current Assets excluding Cash & Cash Equivalents	2,174.85	1,326.13
Current Financial Liabilities (excluding Trade payables)	933.70	458.08
Other Current Liabilities	1,206.31	1,472.43
Net Current Assets	247.29	(592.22)
Non-Current Assets	1,261.98	1,308.90
Non-Current Financial Liabilities (excluding Trade payables)	1,878.70	1,591.85
Other Non-Current Liabilities	—	—
Net Non-Current Assets	(616.72)	(282.95)
Net Assets	(369.43)	(875.17)

Summarised statement of Profit and Loss	Joint Venture Balmer Lawrie (UAE) LLC		Associate Avi Oil India Pvt. Ltd.	
	31 Dec 2017	31 Dec 2016	31 March 2018	31 March 2017
Revenue	64,968.46	64,102.14	6,785.16	6,763.46
Profit for the year	6,871.71	6,088.48	1,084.95	1,087.02
Other comprehensive income (net of tax)	—	—	2.26	(13.46)
Total Comprehensive Income	6,871.71	6,088.48	1,087.21	1,073.56
Dividend received	1,687.48	1,452.00	67.50	67.50

Summarised statement of Profit and Loss	Joint Venture Balmer Lawrie Van Leer Ltd.		Joint Venture Transafe Services Ltd.		Joint Venture PT Balmer Lawrie Indonesia	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Revenue	42,776.10	42,521.99	3,311.15	5,481.66	6,376.78	2,882.41
Interest income	20.61	75.10	0.65	24.51	—	—
Depreciation and amortisation	1,058.91	940.69	897.64	941.25	13.96	10.62
Interest expense	888.16	770.83	1,717.47	1,634.36	324.75	320.73
Income tax expense	1,111.20	1,000.13	(375.75)	(479.93)	(5.70)	(3.50)
Profit for the year	2,153.43	1,846.71	(2,116.06)	(1,078.50)	490.03	(90.44)
Other comprehensive income	44.45	(95.74)	3.87	0.07	(1.44)	(0.60)
Total Comprehensive Income	2,197.88	1,750.97	(2,112.20)	(1,078.43)	488.59	(91.04)
Dividend received	301.04	258.04	—	—	—	—

PT Balmer lawrie Indonesia, a JV of Balmer Lawrie (UK) Ltd and Transafe Services Ltd's a JV whose network have turned negative on all the applicable balance sheet dates, have not been consolidated further, as per Ind AS requirements.

Additional Information to Consolidated Financial Statements for the year ending 31.03.2018

₹ 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				
Parent	83.18%	125,586.14	100%	16,538.21	100.00%	156.21	100%	16,637.59
Subsidiaries								
Indian								
Visakhapatnam Port Logistics Park Limited	-0.24%	(360.99)	-0.37%	(61.19)				
Foreign								
1. Balmer Lawrie UK Ltd	0.76%	1,153.63	0.27%	45.15				
2. PT Balmer Lawrie Indonesia							—	—
Non Controlling Interest in All subsidiaries	3.50%	5,281.22	-0.25%	-40.79				
Associates (Investment as per Equity Method)								
Indian								
Avi-Oil India Private Limited	0.42%	641.22			—		—	

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
Joint Ventures Investment as per Equity Method)								
Indian								
1. Balmer Lawrie Van leer Limited	1.41%	2,133.02			—		—	
2. Transafe Services Ltd.								
Foreign								
Balmer Lawrie (UAE) LLC	10.96%	16,541.09						
Net worth of PTBLI & Transafe Services Ltd are negative.								
Hence no consolidation has been done								
Total	100.00%	150,975.33	100.00%	16,481.38	100.00%	156.21	100%	16,637.59

OFFICE & PLANT LOCATIONS

REGISTERED OFFICE		21 Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22225218 / 230 Fax: +91 033 22225292 Website: www.balmerlawrie.com
INDUSTRIAL PACKAGING		
Asaoti	Plant	Village Piyala, Post Asaoti, Faridabad, Haryana - 121 102 Phone: +91 0129 2205073 / 2205322 / 0124 4798163 Fax: +91 0129 2215090 E-Mail: mukhija.mm@balmerlawrie.com
Chennai	Plant	32, Sattangadu Village, Thiruvottiyur, Manali Road, Chennai - 600 068 Phone: +91 044 25941438 / 6641 / 6647 E-Mail: menon.pv@balmerlawrie.com
Chittoor	Plant	62, Patnam (Village & Post), Thavanan Palli, Mandal, Chittoor - 517 131, Andhra Pradesh Phone: +91 08573 281077 / 088 / 044 25946641 Fax: NIL E-Mail: menon.pv@balmerlawrie.com
Kolkata	Plant	Container Division, P-4/1, Oil Installation Road, Kolkata - 700 088, West Bengal Phone: +91 033 2439 7878 / 3794 / 95 Fax: +91 033 24393793 E-Mail: sarkar.a@balmerlawrie.com
Mumbai	SBU Office	5, J N Heredia Marg, Ballard Estate, Mumbai - 400 001 Phone: +91 022 66258181 / 187 Fax: NIL E-Mail: palchaudhuri.an@balmerlawrie.com
Navi Mumbai	Plant	Plot No. G-15, G-16, G-17, M.I.D.C. Industrial Area, Taloja, Village: Padge, Taluka: Panvel, Dist. Raigad, Maharashtra - 410 208 Phone: +91 022 27412974 / 66258196 Fax: NIL E-Mail: rajesh.i@balmerlawrie.com
Gurugram	Sales Office	401-402, Welldone Techpark, Sector - 48, Sohna Road, Gurugram - 122 002 Phone: +91 0124 4798161 / 62 / 63 / 64 Fax: NIL E-Mail: mukhija.mm@balmerlawrie.com
Silvassa	Plant	Survey 23/1/1, Khadoli Surangi Road, Silvassa - 396 230, UT of Dadra and Nagar Haveli Phone: +91 22 66258196 / 7600049613 Fax: NIL E-Mail: rajesh.i@balmerlawrie.com

Vadodara	Sales Office	G-5-9 Stop-N-Plaza, Near Offtel Tower, R C Dutt Road, Alkapuri, Vadodara - 390 007, Gujarat Phone: +91 0265 2325459 / 022 6625 8198 / 6625 8216 Fax: NIL E-Mail: bhave.ap@balmerlawrie.com
GREASES & LUBRICANTS		
Bengaluru	Marketing Office	Commercial Motors, Commercial House, No : 8, MTB Road, Journalist Colony, Bengaluru (Bangalore) - 560 002, State - Karnataka Phone: +91 080 28363173 Fax: NIL E-Mail: ramanamurthy.v@balmerlawrie.com
Chandigarh	Marketing Office	House No. 31, Saraswati Vihar, Dhakoli, Zirakpur - 160 104, Punjab Phone: 8146132396 Fax: NIL E-Mail: chopra.n@balmerlawrie.com
Chennai	Plant	32, Sattangadu Village, Thiruvottiyur Manali Road, Manali, Chennai - 600 068, Tamilnadu Phone: +91 044 25941551 / 6620 Fax: +91 044 25941436 E-Mail: narayanan.sks@balmerlawrie.com
Chennai	Marketing Office	628, Anna Salai, Tenyampet, Chennai - 600 018, Tamilnadu Phone: +91 044 24302503 / 2504 Fax: +91 044 24302503 E-Mail: srinivasan.s@balmerlawrie.com
Coimbatore	Marketing Office	5/254, Phadagam Main Road, Kanuvai, Coimbatore - 641 108 Phone: +91 94490 45636 Fax: NIL E-Mail: venkatasubramanian.s@balmerlawrie.com
Gurugram	Marketing Office	401 Well Done Tech Park, Tower D, Sector 48, 4th Floor, Sohna Road, Gurugram - 122 018 Phone: +91 0124 4798143 Fax: NIL E-Mail: dasgupta.sr@balmerlawrie.com
Hyderabad	Marketing Office	Kumarvelu Brother Plot No. 20, Block - 36/A, Autonagar, Hyderabad - 500 007 Phone: +91 98858 74758 Fax: NIL E-Mail: reddy.vsssp@balmerlawrie.com
Jaipur	Marketing Office	Ganganagar Motors Limited, 1, Transport Nagar, Jaipur - 302004 Phone: +91 97550 91753 Fax: NIL E-Mail: srivastava.rajana@balmerlawrie.com

Kolkata	Plant	P-43, Hide Road Extension, Kolkata - 700 088, State: West Bengal Phone: +91 033 24395769 / 3448 Fax: +91 033 24392277 E-Mail: agrawal.rk@balmerlawrie.com
Kolkata	Marketing Office	P-43, Hide Road Extension, Kolkata - 700 088, State: West Bengal Phone: +91 033 24395769 / 3448 Fax: +91 033 24392277 E-Mail: gdk.coo.sec@balmerlawrie.com
Kolkata	ARL	P-43, Hide Road Extension, Kolkata - 700 088, State: West Bengal Phone: +91 033 24395405 / 5406 Fax: +91 033 24395764 E-Mail: ghosh.b@balmerlawrie.com
Mumbai	Marketing Office	5, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001, State: Maharashtra Phone: +91 022 6625 8156 / 8157 Fax: +91 022 66361110 E-Mail: ramesh.n@balmerlawrie.com
New Delhi	Marketing Office	Ground Floor, Core - 8, Scope Complex, 7, Lodhi Road, New Delhi - 110 003 Phone: NIL Fax: +91 011 2436 1405 E-Mail: singh.r@balmerlawrie.com
Patna	Marketing Office	Global Sales, New By Pass Ashochak, South of Highway Petrol Pump, Patna - 800007 Phone: +91 9163740010 Fax: NIL E-Mail: kumar.p@balmerlawrie.com
Pune	Marketing Office	10, Aditya Shagun Mall, Bawadhan Kurd, NDA-Pashan Road, Pune - 411 021, State: Maharashtra Phone: +91 078 64731573 Fax: NIL E-Mail: panse.kc@balmerlawrie.com
Raipur	Marketing Office	C/o. Shree Mahavir Secure Logistics (P) Ltd., Near Prince Dhaba, Gogaon Road, Ring Road 02, Raipur - 492 001, State: Chhattishgarh Phone: +91 98999 93990 Fax: NIL E-Mail: kumar.v@balmerlawrie.com
Silvassa	Plant	201/1, Sayli Rakholi Road, Silvassa - 396 230, Dadra & Nagar Haveli (D&NH) (UT) Phone: +91 9099084731 Fax: NIL E-Mail: sanap.rt@balmerlawrie.com

Vadodara	Marketing Office	G-5-9, Stop-N-Shop Plaza, R C Dutt Road, Alkapuri, Vadodara - 390 007, State: Gujarat Phone: +91 0265 2337608 / 2327473 Fax: +91 0265 232 7473 E-Mail: behari.bm@balmerlawrie.com
TRAVEL		
Ahmedabad	Branch Office	204, 3 rd Eye, Panchwati Circle, C.G. Road, Ahmedabad - 380 009, State: Gujarat Phone: +91 7926464771-73 Fax: +91 07926464774 E-Mail: chandivawa.mv@balmerlawrie.com
Bengaluru	Branch Office	1, Ground Floor, Batra Centre, 27 & 27/1, Ulsoor Road, Bengaluru - 560 042 Phone: +91 08025581004-08 / 25328380 / 25328382 Fax: +91 080 25580090 E-Mail: pasha.s@balmerlawrie.com
Bhubaneswar	Branch Office	2nd Floor, SCR - 59, Janpath, Unit - III, Kharvel Nagar, Bhubaneswar - 751 001, State - Odisha Phone: +91 674 2536225 / 178 / 154 Fax: +91 6742536186 E-Mail: NIL
Chennai	Branch Office	Balmer Lawrie House, 628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 044 2434 9593 / 9343 / 9038 Fax: +91 04424342579 E-Mail: NIL
Chandigarh	Branch Office	SCO-53, First Floor, Sector-47C, Chandigarh - 160 047 Phone: +91 0172 2630752 / 2631164 Fax: +91 0172 2632368 E-Mail: NIL
Delhi	Branch Office	1st Floor, Core - 4, Scope Minar Building, Laxmi Nagar, St. Centre, Delhi - 110 092 Phone: +91 011 2205 4429-31 Fax: +91 011 2205 4434 E-Mail: NIL
Guwahati	Branch Office	2nd Floor, F-Fort Building, Kachari Basti Road, Ulubari, Guwahati - 781 007 Phone: +91 0361 2469866 / 877 Fax: +91 0361 2469871 E-Mail: bl.ghy.tt@balmerlawrie.com

Gurugram	Branch Office	Unit No. 401A, B, C & 402, 4th Floor, Welldone Techpark, Sector - 48, Sohna Road, Gurugram - 122 002 Phone: +91 0124 4798137 Fax: NIL E-Mail: NIL
Hyderabad	Branch Office	302, Regency House, 680, Somajiguda, Hyderabad - 500 082 Phone: +91 040 23414553, 23400642 Fax: +91 040 23406399 E-Mail: NIL
Kanpur	Branch Office	Shop No. 8 HAL Township Marketing Complex, Near Ramadevi Chauraha, Kanpur - 208007 Phone: +91 0512 2455181/2455206 Fax: NIL E-Mail: NIL
Kolkata	Branch Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 33 22225555 Fax: NIL E-Mail: NIL
Kochi	Branch Office	Ground Floor, Door No. 40/8147, Anarakathara Road, Shenoy's Theatre, M G Road, Kochi - 682 035 Phone: +91 0484 2350122 / 2351023 Fax: NIL E-Mail: jobalmer01@gmail.com
Lucknow	Branch Office	GF-8, Ratan Square, 20A, Vidhansabha Marg, Lucknow - 226 001 Phone: +91 0522 4931700 Fax: NIL E-Mail: NIL
Mumbai	SBU Office	4th Floor, Balmer Lawrie Building, 5, J N Heredia Marg, Ballard Estate, Mumbai - 400 001 Phone: +91 022 6636-1111-14 Fax: +91 022 6636-1110 E-Mail: karangutkar.t@balmerlawrie.com
Nagpur	Branch Office	Plot No.4, 1st Floor, Ramkrishna Nagar, Opposite Bank of Maharashtra, Ajni Square, Wardha Road, Nagpur - 440 015 Phone: +91 0712 2244150 Fax: +91 0712 2244151 E-Mail: balmerlawrienagpur@gmail.com

New Delhi	Branch Office	Unite - IV, Upper Ground Floor, Kunchanjunga Building, 18 Barakhamba Road, Connaught Place, New Delhi - 110 001 Phone: +91 011 45518800 Fax: +91 011 49518816 E-Mail: NIL
New Delhi	Branch Office	Ground Floor, Core - 8, Scope Complex, 7, Lodhi Road, New Delhi - 110 003 Phone: +91 011 46412201-09 Fax: +91 011 46412235 / 24361526 E-Mail: NIL
Port Blair	Branch Office	97, M G Road, Middle Point, 1st Floor, Port Blair - 744 101 Phone: +91 03192 240045 / 048, 9474273464, 9474208178 Fax: NIL E-Mail: tvl.portblair@balmerlawrie.com
Pune	Branch Office	Shop No - 06, Chinar Apartment, Beside Aramax Courier, Opp. Agriculture College, Sakhar Sankul Road, Shivajinagar, Pune - 411 005 Phone: 020-25514330-33 Fax: +91 020 25514334 E-Mail: NIL
Thiruvananthapuram	Branch Office	TC 09/1816(1), Ground Floor, Anugraha, Sankar Road, Sasthamangalam Phone: +91 0471 2314980 / 2314981 Fax: +91 0471 2315201 E-Mail: mishra.v@balmerlawrie.com
Visakhapatnam	Branch Office	30-15-154/4F2, 5th Floor, Patnam Office GKP Heavenuue, Dabagardens Main Road, Visakhapatnam - 530 020 Phone: +91 0891 2564922 / 2564933 Fax: +91 0891 2569305 E-Mail: NIL
Vadodara	Branch Office	Ground Floor, Stop-'N'-Shop Plaza, 5-9, R C Dutt Road, Alkapuri, Vadodara - 391 007 Phone: +91 0265 2353775 / 2340196 / 2340514 / 2364267 Fax: Travel: +91 0265 2314835 E-Mail: chandiwala.mv@balmerlawrie.com

VACATIONS		
Ahmedabad	Branch Office	204, 2nd Floor, 3 rd Eye, Opposite White House Building, Panchwati Circle, C.G. Road, Ahmedabad - 380 009, State: Gujarat Phone: +91 79 4037 1000 Fax: NIL E-Mail: thiaga@balmerlawrie.com
Bengaluru	Branch Office	Cosmopolitan Club, Cosmo Travel House, 22 nd Cross, 3 rd Block, Jayanagar, Bengaluru - 560 011, State - Karnataka Phone: +91 080 4081 5322 Fax: NIL E-Mail: venkat@balmerlawrie.com
Bhubaneswar	Branch Office	2nd Floor, SCR - 59, Janpath, Unit - III, Kharvel Nagar, Bhubaneswar - 751 001, State - Odisha Phone: +91 674 253 2230 Fax: NIL E-Mail: meenu@balmerlawrie.com
Chennai	Branch Office	Balmer Lawrie House, 628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 44 4211 1900 Fax: NIL E-Mail: venkat@balmerlawrie.com
Hyderabad	Branch Office	302, Regency House, 680, Somajiguda, Hyderabad - 500 082, State - Telangana Phone: +91 40 4012 6565 Fax: NIL E-Mail: venkat@balmerlawrie.com
Kolkata	Branch Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 33 2222 5555 Fax: NIL E-Mail: meenu@balmerlawrie.com
Mumbai	Branch Office	4th Floor, Balmer Lawrie Building, 5, J N Heredia Marg, Ballard Estate, Mumbai - 400 001, State - Maharashtra Phone: +91 22 4214 3333 Fax: NIL E-Mail: thiaga@balmerlawrie.com
New Delhi	Branch Office	Unite - IV, Upper Ground Floor, Kunchanjunga Building, 18 Barakhamba Road, Connaught Place, New Delhi - 110 001 Phone: +91 11 4951 8800 Fax: NIL E-Mail: nautiyal.v@vacationsexotica.com

LOGISTICS INFRASTRUCTURE		
Eastern Region		
Bihar (Jogbani)	Integrated Check Post (ICP)	Jogbani (Bihar), Dist. : Araria, Bihar - 854328 Phone: 06455 242004 / 05 Fax: NIL E-Mail: akshay.k@balmerlawrie.com
Bihar (Raxaul)	Integrated Check Post (ICP)	Vill - Haraiya, P.O. - Singhpur (Raxaul), Dist - East Champaran, Bihar - 845305 Phone: 06255 226111 Fax: NIL E-Mail: akshay.k@balmerlawrie.com
Kolkata	Container Freight Station (CFS)	P-3/1, Transport Depot Road, Kolkata - 700 088, West Bengal Phone: +91 033 2449 8355 Fax: NIL E-Mail: basu.prasant@balmerlawrie.com
Kolkata	Warehousing & Distribution (W & D)	P-43, Hide Road Extn, Kolkata - 700 088, West Bengal Phone: +91 033 2450 0138 Fax: NIL E-Mail: sau.pk@balmerlawrie.com
Kolkata	Warehousing & Distribution (W & D)	1, Sonapur Road, Kolkata - 700 088, West Bengal Phone: +91 033 2450 6824 Fax: NIL E-Mail: jena.sk@balmerlawrie.com
Visakhapatnam	Multimodal Logistics hub (MMLH)	30-15-154/4 F2, 5th Floor, GKP Heavenuue, Dagagardens Main Road, Visakapatnam - 530020 Phone: +91 9748773900 Fax: NIL E-Mail: saha.gc@balmerlawrie.com
Western Region		
Navi Mumbai	Container Freight Station (CFS)	Sector : 7, Plot No : 1, P. B. No : 8, Dronagiri Node, Navi Mumbai - 400 707 Phone: 022 2724 1979 Fax: NIL E-Mail: raghavan.r@balamerlawrie.com
Navi Mumbai	Temperature Control Warehouse (TCW)	Plot No : F-9/5, Additional Patalganga MIDC, Chawne Village, District - Raigad Phone: 98664 00155 Fax: NIL E-Mail: choudhary.rr@balamerlawrie.com

Northern Region		
Haryana	Temperature Controlled Warehouse (TCW)	Plot No. 1924 & 1924-A, HSIIDC, RAI, Phase - II, Sector - 38, Sonapat, Haryana - 131 029 Phone: +91 8377922852 Fax: NIL E-Mail: gautam.pp@balmerlawrie.com
Southern Region		
Chennai	Container Freight Station (CFS)	32, Sathangadu Village, Thiruvottiyur - Manali Road, Chennai - 600 068 Phone: +91 044 5941647 / 25941813 Fax: NIL E-Mail: raghupathi.r@balmerlawrie.com
Coimbatore	Warehousing & Distribution (WD)	5/245, Thadagam Main Road, Kanuvai, Coimbatore - 641 108, State - Tamil Nadu Phone: +91 422 2400342 Fax: NIL E-Mail: coimbatore.wd@balmerlawrie.com
Telengana	Temperature Controlled Warehouse (TCW)	Survey No : 833, Kistapur Road, Medchal - Village and Mandal, Medchal Dist - 501 401, Telangana Phone: +91 96765 05656 Fax: NIL E-Mail: addagiri.n@balmerlawrie.com
LOGISTICS SERVICES		
Eastern Region		
Kolkata	Branch & SBU Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22134658, 22225456 Fax: +91 033 22225282 E-Mail: guha.ss@balmerlawrie.com
Western Region		
Ahmedabad	Branch Office	204, 3rd Eye, Panchvati Circle, CG Road, Ahmedabad - 380 009 Phone: +91 079 26464745 / 4746 Fax: +91 079 26464774 E-Mail: ghosh.sr@balmerlawrie.com
Goa	Branch Office	Shop No. 5, Ground Floor, Dr. Ozler Forum, Next to Roy Petrol Pump, Vasco Da Gama, Goa - 403 802 Phone: +91 832 2500282 / 280 / 284 Fax: NIL E-Mail: ls.goa@balmerlawrie.com
Mumbai	Branch Office	101,102,103 ASCOT Centre, Next to Hilton Hotel, D P Road, Andheri(E), Mumbai - 400 099 Phone: +91 022 28266707 / 8249 Fax: +91 022 28364311 E-Mail: pote.k@balmerlawrie.com

Pune	Branch Office	10, Aditya Shagun Mall, Bavadhan Khurd, NDA-Pashan Road, Pune - 411 021 Phone: +91 020 64731573 / 66750757 Fax: +91 020 64731573 / 66750757 E-Mail: padwale.vm@balmerlawrie.com
Northern Region		
Kanpur	Branch Office	Adjacent HAL Post Office, HAL Township, Near Ramadevi Chauraha, Kanpur, Uttar Pradesh - 208 007 Phone: +91 0512 2400629 Fax: +91 0512 240063 E-Mail: prasad.santosh@balmerlawrie.com
New Delhi	Branch Office	601 to 604 (6th Floor), E Block, International Trade Tower, Nehru Place, New Delhi - 110019 Phone: +91 11 26467565, 26441390 Fax: +91 11 26467383 E-Mail: vashisth.s@balmerlawrie.com
Southern Region		
Bengaluru	Branch Office	No.342 Konena Agrahara, Airport Exit Road, HAL Post, Bengaluru - 560 017 Phone: +91 80 25227221 / 8769 Fax: +91 080 25227231 E-Mail: kanagavadivel.rm@balmerlawrie.com
Chennai	Branch Office	628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 044 24302450 Fax: +91 044 24348066 E-Mail: thiyagarajan.j@balmerlawrie.com
Coimbatore	Branch Office	5/245, Thadagam Main Road, Kanuvai, Coimbatore - 641 108 Phone: +91 0422 2405527 Fax: +91 0422 2405510 E-Mail: swaminathan.r@balmerlawrie.com
Guntur	Branch Office	103, Sreenivasa Towers, Opp. ITC, G T Road, Guntur - 522 004, Andhra Pradesh Phone: +91 8015001599, 0863 2225111 Fax: NIL E-Mail: NIL
Hyderabad	Branch Office	301, Regency House, 680, Samajiguda, Hyderabad - 500 082 Phone: +91 040 23415272 Fax: +91 040 23400958 E-Mail: srinivasan.u@balmerlawrie.com

Karur	Branch Office	No. 42, 1st Floor, Periyar Nagar, CG Apartment Road, Karur - 639 002 Phone: +91 04324 232025 Fax: NIL E-Mail: swaminathan.r@balmerlawrie.com
Kochi	Branch Office	40/8147 D, Ground Floor, Narakathara Road, Kochi - 682 035 Phone: +91 0484 2351025 Fax: +91 0484 2350126 E-Mail: saritha.ks@balmerlawrie.com
Thiruvananthapuram	Branch Office	Sivada Tower, 1st Floor, Snnra 17, Pettah, Trivandrum - 695 024 Phone: +91 0471 2463713 / 2463477 / 2464476 Fax: +91 0471 2465483 E-Mail: murali.k@balmerlawrie.com
Tuticorin	Branch Office	4B/A-28, 1st Floor, Mangal Mall, Mani Nagar, Palayamkotai Road, Tuticorin - 628 003 Phone: +91 0461 2320803 Fax: +91 0461 2322887 E-Mail: cargo.tuty@balmerlawrie.com
Visakhapatnam	Branch Office	30-15-154/4F2, 4th Floor, GKP HEAVENUE, Dabagardens Main Road, Visakhapatnam - 530 020 Phone: +91 0891 2564922 / 2564933 Fax: +91 0891 256 9305 E-Mail: vizag.ls@balmerlawrie.com
LEATHER CHEMICAL		
Ambur- Vaniyambadi	Technical Service Centre	4/172, Gudiyatham Road, Thuthipet, Ambur - 635 802, Vellore District, Tamil Nadu Phone: +91 04174 244468 Fax: +91 04174 244468 E-Mail: saravanakumar.v@balmerlawrie.com
Chennai	Plant & SBU Office	32, Sattangadu Village, Manali, Chennai - 600 068 Phone: +91 044 25946500 Fax: NIL E-Mail: uthayaraja.rm@balmerlawrie.com
Chennai	Product Development Center	32, Sattangadu Village, Manali, Chennai - 600 068 Phone: +91 044 25946604 Fax: NIL E-Mail: vijayabaskar.v@balmerlawrie.com
Chennai	Marketing Office	"Balmer Lawrie House", 628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 044 24302401 / 9444848749 Fax: NIL E-Mail: choudhury.t@balmerlawrie.com

Kanpur	Technical Service Centre	2A/1(A) Jajmau, Near Supreme Petroleum, Kanpur - 208 010, Uttar Pradesh Phone: +91 09935061087 (M) Fax: NIL E-Mail: sinha.k@balmerlawrie.com
Kolkata	Technical Service Centre	Kolkata Leather Complex, Zone Number 1, Plot No. 63A, 24 Parganas (South), PIN Code: 743 502, West Bengal Phone: +91 09831498126, 09836814336 Fax: NIL E-Mail: chaudhuri.j@balmerlawrie.com
Ranipet	Technical Service Centre	135 & 136, 1st Floor, SIDCO Industrial Estate, SIPCOT, Ranipet - 632 403, Vellore District, Tamil Nadu Phone: +91 04172 245019 Fax: +91 04172 245018 E-Mail: saravanan.ks@balmerlawrie.com
REFINERY & OIL FIELD SERVICES		
Kolkata	SBU Office	21, Netaji Subhas Road, Kolkata - 700 001, West Bengal Phone: +91 033 22225610, 22134674 Fax: +91 033 22225444 / 5333 E-Mail: NIL



C&MD and Directors inaugurating the 152nd Foundation Day celebrations held at Kolkata on 4th February 2018! Balmer Lawrie completed 151 years on 1st February.



Balmer Lawrie successfully held its 100th AGM on 14th September 2017 at Kolkata, a noteworthy milestone for its various stakeholders.



Shareholders deliver the vote of thanks during the 100th AGM at Kolkata.



Mr. Prabal Basu, C&MD inaugurated the Goods and Services Tax (GST) implementation program in the company on 3rd July 2017 with the posting of the first outward supply invoice.



An MOU was signed between Balmer Lawrie and IIM Calcutta Innovation Park for selection and incubation of Start-ups on 14th September 2017 at Kolkata.



IP - Navi Mumbai, G&L - Silvassa and LC - Chennai, won the National Awards for Manufacturing Competitiveness (NAMC) 2017, given away by International Research Institute for Manufacturing (IRIM), on 22nd September 2017 at Mumbai.

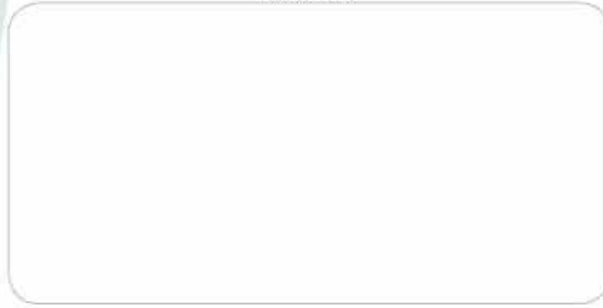


Balmer Lawrie won the "Rajbhasha Award" for best performance in official language implementation during the 'TOLIC (PSUs) – Kolkata' half-yearly meet held on 12th August 2017 at Kolkata. The award was given away by Hon'ble Governor of West Bengal and Bihar, Shri Keshri Nath Tripathi.



The foundation stone laying ceremony of the construction of a toilet block under the "Swachh Vidyalaya: Swachh Bharat Abhiyan", in Bhavi Village, Pali, Jodhpur was held on 28th October 2017 at the construction site.

Book-Post



Balmer Lawrie (UAE) LLC



Balmer Lawrie - Van Leer Ltd.



BALMER LAWRIE JOINT VENTURES

PT Balmer Lawrie Indonesia



AVI-Oil India (P) Ltd.



Transafe 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)

If undelivered, please return to:

Registered Office: **Balmer Lawrie & Co. Ltd.**, 21, N. S. Road, Kolkata 700 001. Tel: 033-222 5329 CIN: L15492WB1924GOI004835

www.balmerlawrie.com