बामर लॉरी एण्ड कं. लिमिटेड

Balmer Lawrie & Co. Ltd.

(A GOVERNMENT OF INDIA ENTERPRISE)

A MINIRATNA I PSE

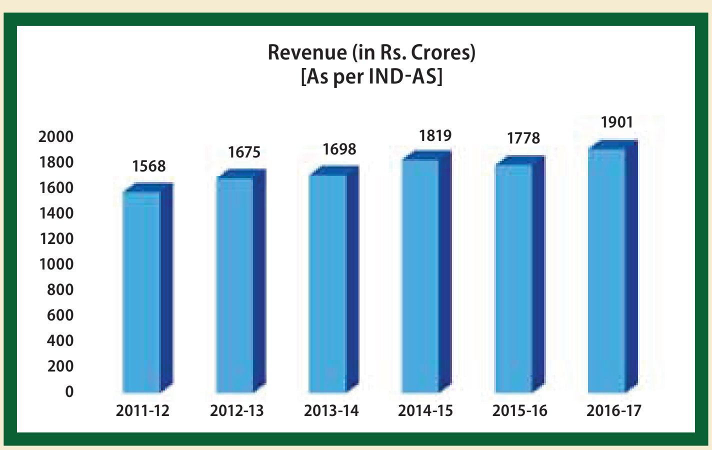
(Under Ministry of Petroleum & Natural Gas)

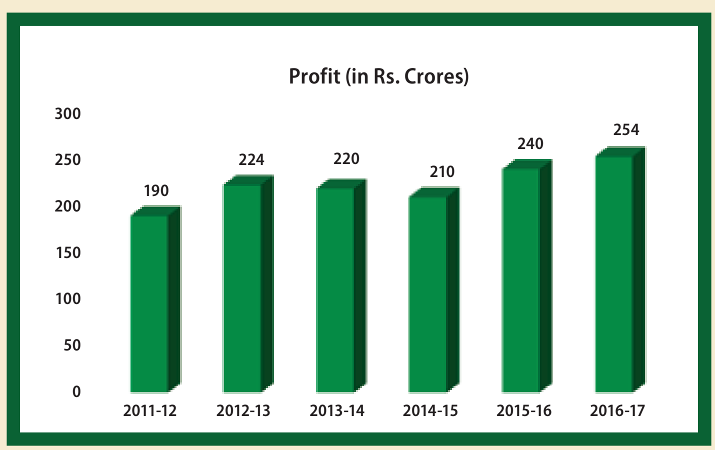
150 years of commitment and beyond...

SINCE 1867

Vision

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





#startupindia

"I see startups, technology and innovation as exciting and effective instruments for India's transformation."

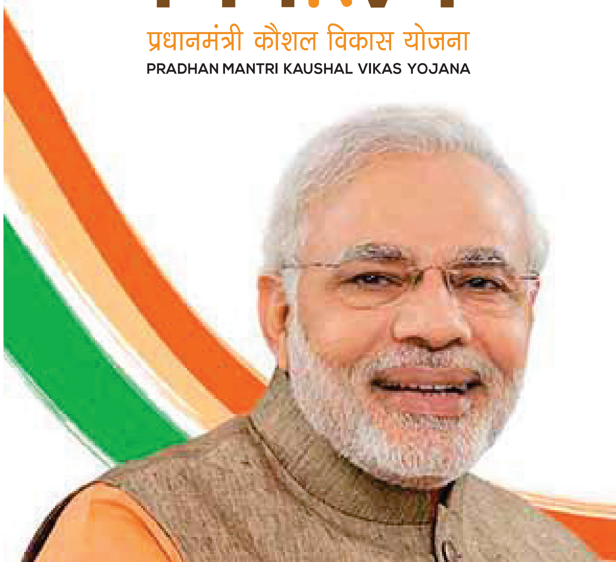
– Shri Narendra Modi
Prime Minister of India

Balmer Lawrie STARTUP FUND

'START-UP INDIA', a flagship initiative of the Government of India, was launched by the Hon'ble Prime Minister of India, Shri Narendra Modi last year. 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, Hon'ble Minister of State (I/C), MOPNG, Shri Dharmendra Pradhan directed the PSUs under the administrative control of MOPNG to facilitate / create an innovation ecosystem and promote start-ups in their respective fields. Balmer Lawrie launched "Balmer Lawrie Start-up Fund", which is in line with the Govt. of India's initiative 'Start-up India'. "Balmer Lawrie Start-up Fund" aims at nurturing innovation in its chosen business areas. The scheme aims at fostering innovations, which can be game changers in the industry or be a significant value provider.

Shri Dharmendra Pradhan
Minister of State (Independent Charge)
Ministry of Petroleum and Natural Gas

PMKVY
प्रधानमंत्री कौशल विकास योजना
PRADHAN MANTRI KAUSHAL VIKAS YOJANA



Skill Development Institutes are being set up at various places in the country by the member companies of the Ministry of Petroleum and Natural Gas (MOPNG) to support the Skill India initiative of the Government of India, which has been launched to empower the youth of the country with skill sets to make them more employable and productive in their work environment. As a member company of MOPNG, **Balmer Lawrie has contributed Rs 75 Lakhs** each for the institutes at Bhubaneswar, Kochi and Visakhapatnam. Some of them have started the courses on skill development. Balmer Lawrie has helped to design the course on Logistics, Temperature Controlled Warehouse Management in the institute at Visakhapatnam.

MOPNG e-Seva, a dedicated grievances redressal platform on Social Media for all queries and grievances relating to Oil and Gas Sector, was launched by Shri Dharmendra Pradhan, Minister of State (I/C) for Petroleum and Natural Gas, GOI, on 24th March 2017 in New Delhi. This portal will be a single point interface for all customers to reach out to the government for addressing their feedback or grievances related to Oil & Gas Sector on social media. MOPNG e-Seva will also deliver 24 x 7 support for consumers.

CONTENTS

COMPANY INFORMATION

Board of Directors	:	Shri Prabal Basu, Chairman & Managing Director
	:	Ms. Manjusha Bhatnagar, Director (Human Resource & Corporate Affairs)
	:	Shri D Sothi Selvam, Director (Manufacturing Businesses)
	:	Shri Kalyan Swaminathan, Director (Service Businesses)
	:	Shri Shyam Sundar Khuntia, Director (Finance) & Chief Financial Officer
	:	Ms. Indrani Kaushal, Government Nominee Director
	:	Ms. Atreyee Borooah Thekedath, 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
	:	Messrs. Venkat & Rangaa 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 Auditor	:	Messrs. Hari Bhakti & Co. LLP 42, Free Press house 216, Nariman Point Mumbai – 400 021
Registrar & Share Transfer Agent	:	Link Intime India Pvt Ltd. 59C, Chowringhee Road, 3rd Floor Kolkata – 700 020

MANAGEMENT TEAM

Sl No	Name	Qualification	Designation	Date of Birth	Date of Joining Balmer Lawrie	Total years of experience as on 27-07-2017
1.	SHRI PRABAL BASU	B.COM. [HONS] ACA, ACMA, ACS, EXEC PROG IN GENL MGMT (MIT)	CHAIRMAN & MANAGING DIRECTOR	18.10.1963	04.04.1988	31
2.	MS MANJUSHA BHATNAGAR	B.SC., MBA	DIRECTOR [HUMAN RESOURCE & CORPORATE AFFAIRS]	24.01.1958	30.12.2014	37
3.	SHRI D SOTHI SELVAM	B.TECH., MBA, PG DIPLOMA IN JOURN & COMMN	DIRECTOR [MANUFACTURING BUSINESSES]	31.07.1960	02.01.2015	34
4.	SHRI KALYAN SWAMINATHAN	B.COM, ACMA, ACS	DIRECTOR [SERVICE BUSINESSES]	15.02.1960	02.11.2009	34
5.	SHRI SHYAM SUNDAR KHUNTIA	B.SC., CA, CMA	DIRECTOR [FINANCE] & CHIEF FINANCIAL OFFICER	01.05.1960	28.03.2016	31
6.	SHRI MANOJ LAKHANPAL	B.COM., CA	EXECUTIVE DIRECTOR [NEW INITIATIVES & PROGRAMME DELIVERY]	15.08.1958	15.04.1988	36
7.	SHRI ADIKA RATNA SEKHAR	B.A., MSW	SENIOR VICE PRESIDENT [HUMAN RESOURCE]	10.06.1964	27.01.2014	29
8.	SHRI SANDIP DAS	B.COM., ACA	SENIOR VICE PRESIDENT (FINANCE)	25.12.1962	24.05.1993	28
9.	SHRI R RAVISHANKAR	B.SC., DEGREE IN LAW, DIPLOMA IN TRAVEL & TOURISM DIPLOMA IN MARKETING MGMT	CHIEF OPERATING OFFICER [TRAVEL & VACATIONS]	04.01.1959	01.02.2014	37
10.	SHRI R M UTHAYARAJA	BE	CHIEF OPERATING OFFICER [LEATHER CHEMICALS]	11.08.1967	31.12.2014	26
11.	SHRI ABHISHEK AGARWAL	BE (COMP SCIENCE), MS (SOFTWARE SYSTEMS)	CHIEF INFORMATION OFFICER	28.01.1973	09.02.2015	22

Sl No	Name	Qualification	Designation	Date of Birth	Date of Joining Balmer Lawrie	Total years of experience as on 27-07-2017
12.	SHRI MANAS KUMAR GANGULY	B.COM [HONS], CMA [INTER]	CHIEF OPERATING OFFICER [LOGISTICS]	03.09.1968	16.03.2015	26
13.	SHRI SREEJIT BANERJEE	B.SC., B.TECH	CHIEF OPERATING OFFICER [GREASES & LUBRICANTS]	04.06.1967	01.04.2016	24
14.	SHRI AMRIT MUKHOPADHYAY	BE [CIVIL], ME [COLLABORA-TIVE] IN PROJ ENGG., MBA	SENIOR VICE PRESIDENT [TECHNICAL]	11.12.1957	03.12.1984	38
15.	MS KAVITA BHAVSAR	B.COM [HONS], FCS, LL.B, PGDFM	COMPANY SECRETARY	11.02.1968	08.12.2014	27
16	SHRI SUNDAR SHERIGAR	B.COM	HEAD [INDUSTRIAL PACKAGING]	18.02.1961	23.01.1984	33

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	35
2	SHRI SANTANU CHAKRABARTI	BE	CHIEF EXECUTIVE OFFICER, TRANSAFE SERVICES LIMITED	05.10.1961	16.09.2002	34
3	SHRI BISHWAJIT NANDI	AMIE PGDM	CHIEF EXECUTIVE, BALMER LAWRIE (UAE) LLC, DUBAI, UAE	12.03.1962	07.07.1987	30

DEPUTED FROM THE GOVT. OF INDIA TO BALMER LAWRIE

1	DR. A. K. AMBASHT, IFS	M.C. [BOTANY], M.SC. IN FORESTRY, Ph.D IN BOTANY [ECOLOGY]	CHIEF VIGILANCE OFFICER	02.08.1958	16.08.2016	30

CHAIRMAN'S ADDRESS

Dear Esteemed Members,

It is my pleasure to welcome you all to the 100th Annual General Meeting of the Company. It is indeed a historical moment for all of us. Last year the Company completed 150 years of its foundation and now we are at the 100th AGM. This is a unique happening and an awe-inspiring milestone in our corporate journey. Very few organisations are fortunate to achieve such a rare distinction in its corporate life cycle. The sheer hard work, determination, foresightedness, able leadership and perseverance of all the stakeholders have made it possible for the Company to complete its journey of 150 years with a glorious track record of being profitable always. Though we are steering ahead on a growth path, we have to stay vigilant and combat the various challenges too.

Before I make my customary observations, I express my gratitude to all of you for your continued trust, support and patronage that you have placed in this Company for so many years. It is my privilege to present to you the Annual Report of the Company for the financial year 2016-17 which is the 100th Annual Report of the Company. May I take this opportunity to brief the stakeholders about the Company's performance during 2016-17 and the economic scenario under which it had operated.

On the domestic front, this year was marked by several historic economic policy developments. A constitutional amendment paved the way for the long-awaited transformational Goods and Services Tax (GST). In addition, the Government, overhauled the bankruptcy laws, codified the institutional arrangements on monetary policy with the Reserve Bank of India (RBI), and solidified the legal basis for Aadhaar to realise the long-term gains from the JAM trifecta (Jan Dhan-Aadhaar-Mobile).

Real GDP growth in the first half of the fiscal year was 7.2 percent. At the sectoral level, growth of agriculture and allied sectors improved significantly in 2016-17, followed by normal monsoon in the current year. As in the previous years, the service sector continued to be the dominant contributor to the overall growth of the economy.

Many new initiatives have been taken up by the Government to facilitate investment and ease of doing business in the country. Noteworthy among them are initiatives such as Make-in-India, Invest India, Start-up India and e-biz Mission Mode Project under the National e-Governance Plan. Measures to facilitate ease of doing business include online application for Industrial License and Industrial Entrepreneur Memorandum through the 24x7 eBiz website for entrepreneurs; simplification of application forms for Industrial Licence and Industrial Entrepreneur Memorandum; limiting documents required for export and import to three by Directorate General of Foreign Trade; and setting up of Investor Facilitation Cell under Invest India to guide, assist and handhold investors during the entire life-cycle of the business. All these initiatives are expected to give a big boost to all the sectors of the Indian economy in the coming years.

Against this economic backdrop, I am happy to share an overview of our performance of the various Strategic Business Units (SBUs) of the Company.

INDUSTRIAL PACKAGING [SBU: IP]

SBU:IP is the largest manufacturer and the market leader in the business of 200 Ltr capacity Steel Drums in India. The SBU has the capability to meet the Steel Drum requirements of neighbouring countries as well, through its six manufacturing facilities close to major consumption centres.

Steel Drums are utilized for safe packaging and transportation of liquid and semi-liquid pulp, greases, powders, chemicals etc.

The major opportunities for SBU:IP lie through increase in product range, leveraging the "Most preferred supplier" status from most of the large Steel Drum buyers in India and neighbouring countries, moving up in value chain with customers etc.

During the year, SBU:IP maintained its profitability in spite of increase in steel prices. Higher sales volume was accomplished despite shrinkage of available market in the wake of directives to Government Organisations and PSUs to procure MS Drums only from Small & Medium Enterprises.

The year 2017-18 appears to be promising similar to what it was in 2016-17. Though, there would be no business from any of the Public Sector Oil Companies or Government in 2017-18, SBU:IP is geared-up to meet the challenges by aggressively positioning itself in the market through acquisition of new customers and improvement of market share from the existing customers. The Navi Mumbai plant provides competitive advantage to the SBU as it is located at close proximity to one of the largest consumption centers for Steel Drums in the Western Region.

GREASES & LUBRICANTS [SBU: G&L]

India continues to be the third largest lubricant market in the world, providing a large potential market for achieving volume growth by both PSU Oil Companies as well as private players including MNCs. However, the market is fragmented and the lubricant companies are focusing on niche segments for their growth, based on their strengths and experience.

Current lubricant industry is driven by "technology" as well as "customer value proposition". The business of SBU: G&L may be divided into Processing/Contract Manufacturing, Direct Sales and Channel Sales (Retail & Industrial).

In the Indian market, channel sales (Automotive & Industrial) has the highest potential amongst the sales verticals. The SBU has plan for increasing brand visibility and expanding retail network. Focus would be on import substitution, thereby substantiating the "MAKE IN INDIA" campaign.

The major challenges in the business are (i) Cut-throat competition (ii) Limited product endorsement and (iii) Difficulty to capture the retail automotive sales.

During the year under review, despite severe price competition from PSU Oil Companies, major MNCs and other private players, the SBU has been able to better its overall performance level in terms of production and sales as compared to last year. The bottomline for the year has, however, been affected due to abnormal increase in price of Lithium Hydroxide, increase of base oil prices in the second half of the year and increase of other input costs which could not be passed on to the customers fully because of the competitive market situation and contractual delivery terms.

All the three manufacturing units of the SBU are certified for quality management systems and periodic audits are being conducted for ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007. The Silvassa plant, in addition, has the ISO/TS 16949:2009, a world class quality assurance system specifically for the automotive industry.

LEATHER CHEMICALS [SBU:LC]

The Leather Chemicals industry is highly competitive comprising reputed MNCs and domestic companies as well as small local and transnational players. Bigger players offer a range of products across all three segments such as beamhouse, wet-end and finishing, while smaller players may offer products limited to one segment or even a sub-segment.

The global trade in leather and leather products has not undergone any significant change in the past five years. There has been a shift in leather production from developed countries to developing and under developed countries.

Being the market leaders in the synthetic fat liquor segment, SBU:LC has a well-developed distribution network, loyal customer base and adequate number of technical service centers, which can be leveraged by the SBU towards enhancing its business in other segments.

The SBU:LC sees opportunity in increasing sales through newly introduced products, matching the quality offered by products of reputed MNCs and yet competitively priced.

Opportunity also lies in the syntan market space where SBU:LC can penetrate further. New Beam House chemicals developed by the Company have been well appreciated by our customers. The SBU:LC has plans to foray into the Finishing Chemical segment by leveraging the existing distribution network, technical service centers and cordial relationship with customers to its advantage.

The manufacturing unit, Product Development and the Marketing functions are certified for Integrated Management System comprising of ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

SBU: LOGISTICS

Under this SBU, there are two verticals viz., Logistics Infrastructure and Logistics Services.

A. Logistics Infrastructure (LI)

The Logistics Infrastructure business comprises of three main segments viz., Container Freight Stations (CFS) typically set up in the vicinity of Ports, Warehousing & Distribution (W&D) and Temperature Controlled Warehouses (TCW/Cold Chains). Presently, the Company has three state-of-the-art CFSs located at Nhava Sheva (Navi Mumbai), Chennai and Kolkata. Warehousing & Distribution facilities are presently available at Kolkata and Coimbatore. The first state of the art TCW was commissioned in Hyderabad in March 2016. The second TCW has been established at Rai and is ready for operation. Some statutory approvals are awaited from the State Government. The third one at Patalganga near Taloja, Navi Mumbai is expected to be ready for commercial operation by end of this fiscal.

Balmer Lawrie is setting up its Multi Modal Logistics Hub (MMLH) project at Vizag in partnership with M/s Visakhapatnam Port Trust (VPT). In this MMLH, facilities will be created for handling Exim and Domestic Cargo. The commissioning of the same is expected in the last quarter of financial year 2017-18.

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries, which offer a glimmer of hope to this industry. The advantage of Balmer Lawrie having its CFS in three major locations, the strength of relationship with major shipping companies through its other activity Logistics Services, its efficiency of operations and ability to offer integrated and customized services are continuously providing opportunities for growth for the business.

For the last few years, CFS/ICD industry was facing tough times, which reflected in declining container volumes and reduced Profit margins for most of the operators. The dwell time of the containers at the CFS have been falling drastically year on year due to the implementation of technology driven policies to get the clearance of the containers with minimum documentation work. Opportunities for earnings are coming down year after year and per TEU profitability is continuously under pressure.

India's cold chain industry is still evolving, not well organized and operating below capacity. The industry has now become an integral part of the supply chain industry comprising refrigerated storage and refrigerated transportation. 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%.

Changing consumer trends for convenience and processed foods are also giving opportunities to the cold chain industry. Government of India is also setting up 30 Food Parks to promote the cold chain industry. The Indian Pharma industry is also giving a boost to the cold chain industry.

Logistics Services (LS)

India spends around 14.4% of its GDP on logistics and transportation as compared to less than 8% spent by other developing countries. The Indian Logistics market is expected to grow at a CAGR of 11% upto 2020 driven by growth in various sectors.

Thanks to the boom in the e-commerce sector and expansionary policies of the FMCG firms, 'Smart Growth' in the Logistics sector is also expected. The industry as a whole has moved from being just a service provider to the position where it provides end to end supply chain solutions to its customers.

Overall the industry is poised to grow although there may be challenges on account of policy changes in India, changes taking place in the industry at the international level and entry of multinationals in the industry. With 'Make in India' push by Central Government, it is expected that there will be heightened activity of imports of raw materials, capital equipment and intermediates. Exports are also expected to sharply increase once the 'Make in India' campaign reaches a feverish pitch when India would be producing much more than its requirement.

Project Logistics is also expected to get a big boost as more and more multinational companies are setting up manufacturing hubs in India.

Air freight services continues to be a dominant activity of the SBU and provides more than 62% (earlier 50%) of the SBU's overall topline. The dismantling of Transchart has opened up new opportunities in Ocean freight activity, which the SBU is keen to capitalize on. As Balmer Lawrie is in CFS operations since 1994, its relationship with Shipping Lines can be leveraged to get more competitive rates for ocean freight which in turn can help it in grabbing more ocean freight business.

The Logistics Services vertical during 2016-17 achieved the highest ever topline and PBT registering a growth of 13% in Turnover over the previous year, which is primarily on account of surge (15% growth YOY) in air freight and ocean freight activities. Profitability improved due to better sales mix and handling of a higher volume of Project logistics.

Balmer Lawrie is also taking adequate steps to mitigate the challenges by increasing the global network of associates and offering clients single window logistics solutions. The SBU has revamped its existing technology and has plans to further upgrade the same in the near future to meet future business challenges.

TRAVEL & VACATIONS [SBU:T&V]

Synergy from the two verticals viz. Ticketing and Vacations has resulted in more customers opting to go for complete end to end travel services including hotels and holiday packages, rather than just booking air tickets with the SBU.

Today SBU:T&V is one of the largest tours & travel operators in the country, which provides end to end domestic and international travel, ticketing, tourism and MICE related services to its clients. It is one of the oldest IATA accredited travel agencies of India operating from more than 88 locations across 19 cities in the country. Travel & Tourism is one of the world's largest industries and the Indian Outbound Market is emerging as one of the fastest growing sector.

The Government of India, as an austerity measure, down scaled the entitlement on domestic sector of Government Officials. Airlines continue to offer lower or no commissions and minimal performance linked bonus (PLB). Despite these adverse factors, the Travel business has registered an improved performance during the year 2016-17.

Despite the stiff challenges in the Travel industry, the SBU has continued to provide sizeable turnover from the Travel and Vacations business.

In the last one year, the Company has strengthened its position in the leisure travel segment of the retail market and the Vacations vertical has added many retail clients. 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.

While business travel, holiday trips dominate outbound volumes, people are also opting for niche products like sports tourism, luxury travels, honeymoon packages and cruises. The SBU is set to grow in these areas as well. Low cost carriers have started operating on both domestic and international sectors and are adding new aircrafts. This will certainly help in growth in volumes of the industry.

However, collection of dues in time, non-availability of adequate number of trained quality manpower, high attrition levels and poor IT penetration continue to be matter of concern. Balmer Lawrie is fully conscious of the risks and concerns of this industry and has a clear strategy to move forward and remain as one of the top Corporate Travel Management Companies in the country. The Company is also leaving no stones unturned for effective utilisation of Information Technology to provide best in class services.

REFINERY & OIL FIELD SERVICES [SBU:ROFS]

The SBU:ROFS is engaged in the activity of Mechanized Sludge/sediment Cleaning and Hydrocarbon Recovery Services from Crude Oil Storage tanks and Lagoons. This continues to be a niche industry with very limited number of players and the SBU:ROFS is a pioneer and market leader in this business.

The SBU:ROFS continues to enjoy sizable market share in the processing of oily sludge. Additional growth opportunity exists with the implementation of strict pollution control norms in the Oil and other related industries.

In 2016-17, the SBU:ROFS has achieved growth above the last year's turnover and also substantial increase in segmental profit. The SBU:ROFS has also achieved substantial job booking for the next financial year. This is owing to high market demand for services in the current year along with improvements in operational efficiency and effective cost control.

Overall Financial performance

During the financial year 2016-17 the gross turnover increased by 6.91%. The Company recorded gross turnover of Rs.1,90,117 Lakh as against Rs.1,77,836 Lakh in 2015-16. The Company recorded a Profit Before Tax of Rs. 25,411 Lakh in 2016-17 as against Rs. 24,021 Lakh in 2015-16, the increase being attributable primarily to increase in Profits earned by Logistics Services, Travel & Vacations, Leather Chemicals and Refinery & Oil Field Services Verticals.

During the year, 2016-17, the paid-up share capital was increased upon the issue of Bonus shares in the ratio of three new shares for every one share held. The Board of Directors has recommended a dividend at the rate of Rupees Seven per Equity share for the financial year 2016-17 for declaration by the members at the 100th Annual General Meeting.

Corporate Governance

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; and
- Contributing to the enrichment of quality of life of the community through discharge of Corporate Social Responsibility and promotion of Sustainable Development.

With the Companies Act, 2013 and the related Rules followed by Listing Regulations, there has been a material change in the area of statutory compliances. Your Company is making best efforts to adapt and comply with the changing statutes. During the year policies were adopted as per the requirement of the statute and to standardize the various activities and procedure of the organization. The Company continues to comply with Corporate Governance guidelines/ norms to the extent within its control.

Corporate Social Responsibility

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

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. During the year 2016-17, the Company spent Rs.412.65 Lakh towards various CSR activities, which is the entire amount prescribed for CSR expenditure for the year.

Acknowledgement

I once again thank all of you for your continued trust and support which have been our source of inspiration. 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
27th July, 2017
Kolkata

BOARD'S REPORT

To,

The Members,

The Directors have pleasure in presenting the 100th Report on the operations and results of your Company for the financial year ended 31st March, 2017, together with the Audited Financial Statement, Auditor's Report and the Comments of Comptroller & Auditor General of India on the Accounts of the Company and other statements attached thereto.

FINANCIAL SUMMARY & HIGHLIGHTS

(Rs. in Lakh)

	Standalone		Consolidated	
	Financial Results for year ended 31st March		Financial Results for year ended 31st March	
	2017	2016	**2017**	2016
Surplus for the year before deduction of Finance Charges, Depreciation and Tax	**28449**	26876	**28423**	26849
Deduct there from :				
i. Finance Charges and Depreciation	**3038**	2855	**3041**	2857
ii. Provision for Taxation	**8369**	7586	**8374**	7590
Profit after Tax (PAT)	**17042**	16435	**17008**	16402
Add : Transfer from Statement of Profit & Loss	**59110**	51562	**74472**	67001
Total amount available for Appropriation	**76152**	**67997**	**91480**	**83403**
Appropriations :				
Interim Dividends	**–**	–	**–**	–
Dividend @ Rs.20.00 per equity share (previous year Rs.18.00 per equity share)	**5700**	5130	**5700**	5130
Corporate Tax on Dividend	**1193**	1073	**1193**	1073
Transfer to General Reserve	**3000**	3000	**3000**	3000
Other Adjustment	**377**	-316	**-2587**	-272
Minority interest / Foreign Exchange Conversion Reserve etc.	**–**	–	**–**	–
Surplus carried forward to next year	**65882**	59110	**84174**	74472
Total of Appropriation	**76152**	**67997**	**91480**	**83403**

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

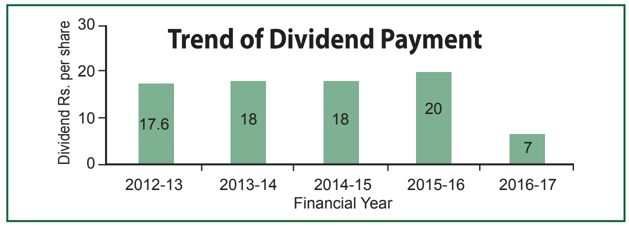
- The Company recorded gross turnover of Rs.1,90,117 Lakh as against Rs.1,77,836 Lakh in 2015-16 marking an increase of around 6.91%. The increase in net turnover was also around 7.37%.
- The Company recorded a Profit Before Tax of Rs. 25,411 Lakh in 2016-17 as against Rs. 24,021 Lakh in 2015-16, the increase being attributable primarily to increase in Profits earned by the SBUs: Logistics Services, Travel & Vacations, Leather Chemicals and Refinery & Oil Field Services.
- The Reserve and Surplus of your Company increased to Rs.1,05,199 Lakh as on 31st March 2017 compared to Rs. 1,03,644 Lakh as on 31st March 2016 .

SHARE CAPITAL

The paid up Equity share capital of the Company as on 31st March, 2017 stood at Rs.1,14,00,25,640. The paid-up share capital was increased during the year upon issue of 8,55,01,923 Bonus shares in the ratio of 3 new shares for every share held. However, the Company has not issued any share with differential voting rights nor has granted any stock options or sweat equity shares.

DIVIDEND

A dividend of Rs.7/- (Rupees Seven only) per Equity Share of the face value of Rs.10 (Rupees Ten each) fully paid up on the paid-up equity share capital as on 31st March, 2017 has been recommended by the Board of Directors, for declaration by the Members at the ensuing 100th Annual General Meeting (AGM) to be held on 14th September, 2017. Subject to the approval of the Shareholders in the ensuing 100th AGM, dividend will be paid either by way of warrant, demand draft or electronic mode and will be paid to those Shareholders who would be holding shares of the Company as on 7th September, 2017, End of Day, being the cut-off date. In respect of shares held electronically, dividend will be paid to the beneficial owners, as on the cut-off date 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 2016-17 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 till the date of this Report, which could affect the financial position of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting Standards (Ind-AS).

Further, in line with Section 129(3) of the Companies Act, 2013 read with the Rules thereon, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 and Joint Venture Companies which forms part of the Annual Report.

REPORT ON SUBSIDIARIES

During the year under review, no company has ceased to be a Subsidiary, Joint Venture or Associate Company, except Balmer Lawrie Hind Terminals Pvt. Ltd . – Joint Venture which was dissolved by order of the Hon'ble High Court of Madras dated 20th October, 2016.

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_Subsidiary-BL.pdf

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

FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

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

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, JOINT VENTURES 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') a 100% subsidiary of your Company is incorporated in the UK. The subsidiary had previously been engaged in the business of Leasing and Hiring of Marine Freight Containers as also in Tea Warehousing, Blending and Packaging.

After exiting these businesses, BLUK has been utilizing the proceeds to fund other business opportunities. BLUK has to date invested approximately US$ 2.01 million equivalent to Indonesian Rupiah 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 Joint Venture is actively trying to get a foothold in the challenging Indonesian lube market. During the year under review, the Joint Venture has significantly reduced the loss incurred by it (by 72.5% from the previous year level) due to increase in volume of Sales achieved during 2016-17. The Turnover achieved by the JV has grown by 19% in the current financial year over that achieved during 2015-16. The performance of PTBLI is expected to show further improvement from 2017-18 onwards.

However, the Joint Venture is facing financial constraints due to high bank loan and to overcome the situation planned to induct a new partner to the venture.

VISAKHAPATNAM PORT LOGISTICS PARK LIMITED [VPLPL]

As a part of its Strategic Plan, your Company has consistently been looking for opportunities for setting up logistics infrastructure facilities at ports and inland locations. In pursuance of this objective, your Company has vigorously worked with Visakhapatnam Port Trust (VPT) for the last several years for setting up a Multi-Modal Logistics Hub (MMLH) at Visakhapatnam in Joint Venture. The efforts have ultimately yielded results with the signing of Shareholders'/JV Agreement between your Company and VPT in March 2014. The proposed JV Company has been incorporated and christened as Visakhapatnam Port Logistics Park Limited (VPLPL). The JV will have equity participation between your Company and VPT in the ratio of 60:40. While your Company's contribution to equity would be in the form of cash, VPT's would be upfront lease rental of 53.025 acres of land allotted to VPLPL for a period of 30 years. VPT handed over the earmarked land to VPLPL in January 2015. The work on the land development / civil work towards construction of the administrative building and the other related infrastructure is going on in full swing and your Company expects to commission this facility within financial year 2017-18.

REPORT ON JOINT VENTURES

BALMER LAWRIE (UAE) LLC [BLUAE]

Balmer Lawrie (UAE) LLC (the Company) achieved highest ever production and sales volumes in most of the major product segments during the year 2016.

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. These endeavors enabled the Company to stay ahead of competition, which nonetheless 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 business environment prevailing in the region where the Company operates, the Company is facing challenges in maintaining such growth momentum during 2017.

BALMER LAWRIE – VAN LEER LTD. [BLVL]

During the FY 2016-17, the Company has registered a growth in turnover by 9% to Rs.331.50 Crore as against Rs.303.57 Crore last year. The operating profit increased by 41% in the current Financial Year over last year levels.

The Company in order to overcome challenges of capacity constraints in production has decided to go in for expansion of facilities for production of Plastic containers. With this expansion under its fold, the Company expects to be a major market player in the coming years.

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

For the year 2016-2017, the Company has achieved sales volume of 1,302 KL of lubricants blended, 27 MT of greases reprocessed and packed and 259 MT of the ester base stocks manufactured.

The Company was able to achieve the Net Sales of Rs.6,057 Lakh with Profit Before Tax of Rs.1,647 Lakh as compared to Net Sales of Rs.6,098 Lakh with Profit Before Tax of Rs.1,352 Lakh achieved during the year 2015-2016.

The increase in profit is mainly attributable to better price management coupled with a profitable product mix and reduction in raw material and other costs, achieved during the current financial year.

The Company continues to supply aviation lubricants to both the Defence and Civil Aviation sectors.

TRANSAFE SERVICES LTD. [TSL]

During the financial year 2016-17, the Joint Venture achieved a turnover of Rs. 5,682.24 Lakh as against Rs.7,895.79 Lakh achieved during 2015-16. However, TSL ended up with loss of Rs.1,078 Lakh, as against loss of Rs.725 Lakh incurred for the previous financial year 2015-16.

The total revenue for manufacturing business stood at Rs.1,641 Lakh, as compared to Rs.1,844 Lakh, earned during the previous year 2015-16. This decline in revenue was mainly due to non-receipt of big orders, which were expected during the year under review.

Its leasing business revenue is on the decline due to usage of old containers, whereby either the customers had off-leased the containers or negotiated its further usage at a lower rate. During the financial year 2016-17, the income from lease rentals was Rs.1,979 Lakh as against Rs.2,163 Lakh earned during the previous year 2015-16.

Its logistics business has also not been able to grow during 2016-17 and ended up with revenue of Rs.1,861 Lakh as against Rs.2,356 Lakh earned during the previous financial year 2015-16.

TSL's reference before Board of Industrial & Financial Reconstruction [BIFR] got abetted with effect from the date of enforcement of the 'Sick Industrial Companies [Special Provisions] Repeal Act, 2003, i.e., from 1st of December 2016.

The Joint Venture partners are presently exploring various options to revive TSL.

MEMORANDUM OF UNDERSTANDING (MOU)

Every year your Company enters into MoU with the Government of India, Ministry of Petroleum & Natural Gas [MoPNG) 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 etc. Your Company's performance score in respect of the MoU for the year 2015-16 has been adjudged by the DPE in "Very Good" category. Based on internal assessment and considering audited results for the year 2016-17, your Company expects to have an Excellent rating for the financial year 2016-17.

HUMAN RESOURCE MANAGEMENT

The focus of the organization continues to be enhancing employee engagement, managing talent, upgrading leadership & managerial capabilities and managing employee performance. The organization believes that its success depends on the alignment and performance of its people. With this objective, the following initiatives have been spearheaded by the Company :-

[a] Talent Acquisition

The Company in its efforts to reinvigorate its human resources through infusion of fresh blood and address diversity has, during the year, inducted a total of 54 numbers of Executives and Officers.

[b] Training and Development

The Company continued to invest in enhancing the professional skills and competencies of its employees. With the objective of enhancing the functional and leadership competencies, extensive training programs for employee 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, 1444 Man-days were achieved including in-house and external programmes for all categories of employees during the year.

The Functional Directors attended a 3-day training programme on "Masterclass for Directors & Boardroom" conducted by Institute of Directors, India in October, 2016. Also, an Orientation Programme for "Capacity Building of Independent Directors" conducted by DPE at Puducherry was attended by Ms. Atreyee Borooah Thekedath, Independent Director in the month of March, 2017.

[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.

[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 151st 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 Balmer Lawrie Recreation Club at different major locations of the Company.

Employment of Special Categories

During the year, in the Executive and Officer cadre, 11 employees in the SC category, 20 employees in the OBC category, 1 employee in the ST category, 5 Women employees and 7 employees in the Minorities category were recruited. The actual number of employees belonging to special categories, group-wise, as on 31st March, 2017 is given below :

Group	Regular Manpower as on 31.03.2017	SC	ST	OBC [*]	PH	Women	Minorities
A	488	43	6	51	2	48	25
B	222	31	0	34	3	27	16
C	88	3	0	20	1	11	3
D [including D1]	390	52	5	81	7	5	68
Total	**1188**	**129**	**11**	**186**	**13**	**91**	**112**

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

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

In compliance with the above Act, your Company has identified positions for recruitment of persons with disabilities. A special drive to this effect was initiated in the year 2015 and out of 6 (Six) candidates selected, 5 (Five) candidates have already joined. However, to mitigate the shortfall, another special drive is slated during 2017-18.

Employee Relations

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

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

Implementation of Official Language

To ensure implementation of *Rajbhasha* policy of the Government of India, your Company has taken several steps to promote usage of Hindi in official work. Various activities like workshops, meetings, etc. were organized during the year and the *Rajbhasha Pakhwada* was celebrated at all locations of the Company. Implementation of the Rajbhasha Policy is top driven in your Company and a Hindi Kavi Sammelan including poets from other Kolkata based Public Sector undertakings was organized in October'16.

During the year your Company also organized a Workshop on Hindi implementation at its Headquarter in Kolkata for key executives. Shri Ram Vichar Yadav, Deputy General Manager (OL), Hindustan Petroleum Corporation Limited was invited as a faculty for conducting the workshop. Also, your Company lent its expert faculty for conducting Workshops in Hindi for various Town Official Language Implementation Committees.

Women Empowerment

Your 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 7.66% despite the fact that a large chunk of our workforce constitutes of shop floor workers. Your Company has created an atmosphere conducive for women employees to join and build a career in this organization. Our Board of Directors has three women Directors, including a full time Functional Director.

Internal Complaints Committee

Your Company has constituted Internal Complaints Committees in all the four regions of the country under the Sexual Harassment (Prevention, Prohibition and Redressal) Act, 2013. Also the Company held Workshops in different regions to educate employees about the above Act and to propagate the policy of the Company in this regard.

No Complaint under the Act was received during the year 2016-17.

Corporate Social Responsibility (CSR)

Annual report on CSR activities

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

CSR POLICY

Vision

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

Mission

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

Objectives

- Improve the health and nutrition status of communities, particularly vulnerable groups such as women, children and elderly by improving health infrastructure and facilitating service provision.
- Focus on quality of education and encourage children from marginalized sections and girls to complete school education and opt for higher education.
- To focus on livelihoods and skill development in order to provide opportunities to women and youth and make them self-reliant.
- Initiate holistic development programs for

differently abled children and orphans with a view to provide them opportunities to lead a meaningful life.

- To support the national efforts in rehabilitation and relief post unfortunate natural disasters.

Guiding Principles

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

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

Balmer Lawrie believes that good financial results are not an end in itself to assess the success of any business; rather it is a means to achieve higher socio-economic goals. In pursuance of this belief, the Company is committed to conduct its business in a socially responsible manner and be responsive to the needs of the society at large. Accordingly, the Company has been pursuing various CSR initiatives since the last two decades or so.

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

Balmer Lawrie has developed its Corporate Social Responsibility (CSR) and Sustainability Policy in consonance with the CSR Policy framework enshrined in the Section 135 of Companies Act, 2013 (Act) and in accordance with the Companies (CSR Policy) Rules, 2014 (Rules) notified by the Ministry of Corporate Affairs, Government of India and Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India (DPE Guidelines, 2014) which are effective from 1st April 2014. It shall apply to all CSR Projects / Programs undertaken by Balmer Lawrie.

In pursuance of these Programs, the Company had undertaken several community development projects in the year 2016-17 focusing on Swachh Bharat Abhiyan, Sanitation, Education, Health, adoption of Tribal schools, funding of Skill Development Institutes, adoption of a Village to trigger development of micro-communities and thereby generate the desired developmental impact. CSR efforts are channelized to focus on thematic areas as stated in our CSR policy and target groups like children, women, youth, elderly and differently abled people.

For Details of CSR policy, visit our website:

http://www.balmerlawrie.com/app/webroot/uploads/CSR_and_Sustainability_Policy_2016_-_28.09.20161.pdf

2. The Composition of the CSR Committee :

   (a) Total No. of Directors in the Committee: Four

   (b) No. of Independent Directors in the Committee: One

3. Average net profit of the Company in the last three financial years (as per Section 198 of the Companies Act, 2013) – Rs. 20,632 Lakh.

4. Prescribed CSR Expenditure during 2016-17 (two per cent of the amount as in item 3 above) - Rs.412.65 Lakh.

5. Details of CSR spent during the financial year

   (a) Total amount to be spent for the financial year; Rs.412.65 Lakh

   (b) Amount unspent, if any; NIL

   (c) Manner in which the amount spent during the financial year 2016-17 is detailed below :

(₹ in Lakh)

CSR Expenditure 2016-17							
Sl No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Project or Programs 1) Local area or other 2) specify the State and District where Projects or programs was undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on projects or programs Sub heads: (1) Direct Expenditure on projects or programs (2) Over-heads**	**Cumulative Expenditure upto to the reporting period**	**Amount spent : direct or through agency**
a	b	c	d	e	f	g	h
1.	Construction of Skill Development Institute	Skill Development	1) Other 2) Kerala/ Kochi and Telangana/ Vishakha-patnam	150	150	150	BPCL & HPCL
2.	Building a School Block of “Mogappair School” in Chennai.	Education	1) Local area 2) Tamil Nadu/ Chennai	50	50	50	Rotary Club of Midcity
3.	Support to SV Patel Rashtriya Ekta Trust for "Statue of Unity"	Donation to Trust	1) Others 2) Gujarat/ Vadodara	38	38	38	SV Patel Rashtriya Ekta Trust
4.	Construction of Skill Development Institute	Skill Development	1) Other 2) Odisha / Khurda	30	30	30	IOCL

(₹ in Lakh)

CSR Expenditure 2016-17							
Sl No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Project or Programs 1) Local area or other 2) specify the State and District where Projects or programs was undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on projects or programs Sub heads: (1) Direct Expenditure on projects or programs (2) Over-heads**	**Cumulative Expenditure upto to the reporting period**	**Amount spent : direct or through agency**
a	b	c	d	e	f	g	h
5.	Running of Mobile Medical Unit by Helpage India	Health	1) Local area 2) Tamil Nadu/Manali	26	26	26	Helpage India
6.	Water Tank at Sayli village	Swachh Bharat Abhiyan	1) Local area 2) Dadra Nagar & Haveli/Sayli	20	19.85	19.85	Rotary Club of Panvel
7.	Sponsoring of 02 family homes	Education	1) Local area 2) West Bengal/ Kolkata &Telangana / Vishakha-patnam	19.25	19.25	19.25	SOS Children's Village of India
8.	Sponsoring of 02 classes of Indian Institute of Cerebral palsy (IICP) for the child-ren suffering from Cerebral Palsy	Education	1) Local area 2) West Bengal / Kolkata	18.5	18.5	18.5	Indian Institute of Cerebral palsy (IICP)
9.	Maintenance cost for School Toilets constructed under "Swachh Vidyalaya"	Swachh Bharat Abhiyan	1) Local area and Others 2) West Bengal/ Kolkata, Andhra Pradesh/ Chitoor, Haryana/ Asaoti	16	15.64	15.64	Pragati Sangha of Dara in West Bengal / Sarva Shiksha Abhiyan in Assam and Chhattisgarh
10.	Toilet Block at School	Swachh Bharat Abhiyan	1) Local area 2) Mahara-shtra /Raigad	15	15	15	Rotary Club of Panvel

(₹ in Lakh)

CSR Expenditure 2016-17							
Sl No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Project or Programs 1) Local area or other 2) specify the State and District where Projects or programs was undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on projects or programs Sub heads: (1) Direct Expenditure on projects or programs (2) Over-heads**	**Cumulative Expenditure upto to the reporting period**	**Amount spent : direct or through agency**
a	b	c	d	e	f	g	h
11.	Sonography Machine at Govt. Hospital	Health	1) Local area 2) Tamil Nadu/Ranipet	13	10	10	Rotary Club of Chennai
12.	Providing education to the doorsteps of the tribal populace.	Education	1) Others 2) West Bengal/South 24 Parganas	10	10	10	Ekal Vidyalayas, One Teacher Schools (OTS), Friends of Tribal Society
13.	Workshop conducted on Sustainability Training	Training	1) All India	3.32	3.32	3.32	CII
14.	Swachh Bharat Activities in School	Swachh Bharat Abhiyan	1) Local Area 2) Tamil Nadu/Chittoor	2.3	2.46	2.46	Balmer Lawrie
15.	Toilet Renovation at Matunga, Dayanand Ballika Vidyalaya	Swachh Bharat Abhiyan	1) Local Area 2) Mahara-shtra/Mumbai	2.5	2.36	2.36	Rotary Club
16.	Miscellaneous				2.27	2.27	
					412.65	**412.65**	

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

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]	Manjusha Bhatnagar (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, 2017 is attached as **Annexure 2**

OCCUPATIONAL HEALTH AND 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 the 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 and CFS units. Every plant/CFS unit submits a monthly HSE MIS to Corporate Office enabling the concerned authorities to take 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 2016 - 17 were as follows :

- HSE Audits were carried out in all manufacturing units/establishment of the Company during the year and recommendations thereof implemented.
- Fire protection system/ Hydrant system was installed in the Asaoti plant of Industrial Packaging division.
- Behaviour based safety program was organised for all Plant managers, Maintenance managers and Operational managers.
- External Electrical Safety audit was carried out at all the plants of the Manufacturing Businesses.
- Two days workshop on Electrical safety was carried out at Head Office for both Manufacturing and Service Businesses.
- HSE awareness training was conducted for employees involving 700 man-hours.
- Project HSE plan was implemented at the green field project sites of Temperature Controlled Warehouse in Rai.
- Safety Week was observed from 4th to 11th March 2017 in all plants and establishments of the Company.
- Defensive Driving training was carried out for Kolkata based employees to create awareness on Road safety.
- Crisis Management Plan was developed and rolled out for all businesses in August 2016.
- Management of Change (MOC) procedure rolled out last year has been implemented in most of the manufacturing plants.

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 and disposal of effluents conform to the statutory requirements. Air emissions norms also strictly adhere to the norms laid down in the Environment Protection Act, 1986. Disposal of hazardous waste is done strictly as per Hazardous Waste and Other Waste Rules, 2016. All Plants and major establishments of the Company are certified to environment standards ISO 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 2016-17 include :

- The Company has installed 200 KWp of Solar Plant at Manali complex Chenai and 100 KWp solar plant on the roof top of IP, Asaoti. Both the plants cumulatively has the capacity to offset around 400 Tons of carbon dioxide each year.

- Saplings were planted in all the units on the occasion of World Environment Day 2016. An online quiz on Environment was conducted 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 number of bio-degradable & environment friendly lubricants.
- Rain water harvesting continues to drive good water conservation in the Leather Chemicals Division at Manali.
- Roof top asbestos sheets were partly replaced with environment friendly pre coated GI sheets in the Industrial Packaging plant at Silvassa.

COMMUNICATION & BRANDING INITIATIVES

Balmer Lawrie (BL) completed 150 years on 1st February 2017. Thus, the year 2016-17 has been significant in terms of branding and communication. Several initiatives in the area of internal communications centered on the sesquicentennial celebrations were undertaken. Other internal communication initiatives driven during the year to enhance the process of information sharing in the organisation, are as follows:

- Introduction of the Daily Media Update covering company news, news from the Oil & Gas sector and initiatives of the government.
- Regular publication of Weekly Media Update, BL Online Monthly Bulletin, BL Organizational Gazette, the quarterly house magazine. These publications are available on the Company website.
- Town Hall Meetings: An open house providing a platform to employees to interact with the whole time Directors.
- The revamped Company Intranet launched in 2016, is more interactive, user-friendly and content rich, and is regularly updated.
- Work on revamping the Corporate Film and the SBU versions began.
- The empanelment exercise undertaken to empanel consulting agencies in the areas of Advertising & Branding, Digital Marketing & Branding, PR and Media Planning & Buying was completed.

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

- Special BL Calendar was designed with the theme of ‘Service to the Nation’ to mark the 150 years celebrations.
- The Annual Report cover and the New Year Greeting card carried the 150 years logo and was specially designed to highlight Balmer Lawrie’s journey of one and a half centuries.
- Media Coverage: Corporate Reports in business magazines/papers and coverage of CSR initiatives etc.
- Branding of Swachh Bharat Abhiyan and other similar initiatives were undertaken
- SBU specific Microsites were completed for go live.
- Branding in Exhibitions and Corporate events highlighting the milestone of completion of 150 years was done.
- Regular updates related to company events, initiatives of Hon’ble Prime Minister and Ministry of Petroleum & Natural Gas are posted on the Balmer Lawrie 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.

INFORMATION TECHNOLOGY

Your Company is committed to adapt competitive latest information technology system for the business requirements. The SAP ERP system has been successfully implemented and stabilized and is being regularly updated. Your Company has smoothly rolled out a new IT application called CORVI for freight forwarding activities of the Logistics SBU. To support Temperature controlled warehouse activities, your Company has also rolled out an IT system called "PYXIS", which is used to control the movement and storage of materials within the warehouse and to process the associated transactions.

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. A centralized enterprise server backup system has been introduced to centralize and automate the backup process of all the applications.

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 2016-17 captures your Company's efforts and achievements in taking forward its sustainability objectives, which are well aligned with the business goals. Sustainable development has always been a top priority with your Company. Your Company sustained the "Swachh Vidyalaya" initiative in Government Schools covering states of Assam, Chhattisgarh, Haryana, Andhra Pradesh and West Bengal. The Company constructed new toilets and ensured maintenance on need basis. Sustainable growth is a key objective in your company's strategy plan and the leadership continuously encourages "think sustainability" not only in the employees but all the stakeholders.

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 on your Company's Web Portal www.balmerlawrie.com/pages/viewpages/100 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 2016-17 is shown in the table below:-

	Opening Balance as on 01.04.2016	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 31.03.2017
a	b	c	d	e	f	g
Requests	21	87	0	0	84	24
First Appeals	1	10	0	0	11	0

(A) Conservation of Energy –

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

Your Company is continuously monitoring energy consumption per unit of production at various manufacturing plants and taking action towards conservation of energy in view of rising cost of energy and in keeping with your Company's commitment to be an energy efficient entity.

SBU : G&L has installed variable frequency drives to conserve energy, along with other energy saving methods.

SBU : IP has achieved significant power savings by utilizing natural day light inside the plant providing transparent roof top sheet at its plant in Silvassa. Other energy conservation initiatives include replacement of bulbs and tube lights with LED lights, installation of Variable Frequency Drives, installation of accumulation conveyor at lacquer line, synchronization of conveyors for reduction of idle running time in various plants and offices.

SBU : LC conducted energy audit and implemented the audit recommendations to improve energy utilization of the plant. Measures taken to improve energy efficiency include installation of high efficiency motors, VFDs, energy efficient lights and Air Conditioners.

(ii) The steps taken by your Company for utilising alternate sources of energy :

Apart from adoption of energy efficient lightings and equipment, your Company is continuously taking steps towards use of alternate source of energy. In the current financial year your Company has installed 200 KWp Solar Power Plant in the Manali Complex Chennai and another 100 KWp Solar Power Plant at SBU: IP Asaoti. At present, total installed capacity of Solar Power Plant of your Company stands 460 KWp.

The already existing 160 KWp Solar Power Plant at IP, Asaoti and Navi Mumbai has generated 175526 Kwh units in the current financial year.

(iii) The capital investment on energy conservation equipment :

Investments of more than 213 Lakh towards installation of energy efficient systems/ equipment have made in various plants.

(B) Technology absorption –

(i) The efforts made towards technology absorption :

Indigenous Technology : Your Company has been aggressively carrying out in house R&D for development of products and processes in all its manufacturing businesses to meet the requirement of the market.

SBU : IP imported plant and equipment from internationally reputed machine manufacturers and stabilized its production by using world class fully automated drum manufacturing technology. The SBU is in the process of launching new products through these world class equipment.

In SBU : G&L, R&D Laboratory has focused towards the development of technology for high performance greases for industrial application and automotive wheel bearing, water soluble chlorine and boron free synthetic cutting oil for Steel Tubes and Wire Drawing oil for Aluminum industry.

The SBU : LC developed Phosphation technology for Fatty Alcohol Ethoxylates. Co-surfactant Lauryl Ethoxylate Mono Phosphate has been commercialized during the current year, which is used in fatliquor formulations to make high performance fatliquors.

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

Such developments have helped the SBUs to strengthen their position in the market, increase its product basket, counter competitors, gain market share, to demonstrate technology and cost leadership as well as consistent supplies.

(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

		2016-17 (₹ in Lakh)	2015-16 (₹ in Lakh)
a)	Capital	30.41	51.35
b)	Revenue	529.29	543.32
c)	Total	559.70	594.67

(C) Foreign Exchange earning and outgo –

		2016-17 (₹ in Lakh)	2015-16 (₹ in Lakh)
(i)	Total Foreign exchange earnings	9,612.78	10,464.30
(ii)	Total Foreign exchange outgo	17,345.10	17,263.86

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

₹ in Lakh

Details	2016-17	2015-16
Available for procurement from MSEs	11801.45	8235.97
Actual procurement	5719.87	2905.69

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 as provided under Section 92 of the Companies Act, 2013, is annexed hereto as **"Annexure 3"**.

NUMBER OF MEETINGS OF THE BOARD

The Board met eight (8) times during the financial year 2016-17, the details of which 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, 2017, 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, 2017 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, 2017 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 DIRECTOR

Your Company has received declaration from the Independent Director of the Company confirming that she meets 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. 5, 6 and 14.

RELATED PARTY TRANSACTIONS

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 Companies 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 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 Related Party Transactions 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 "Related Party Transactions Policy" was amended vide Board resolution dated 29th May, 2014 due to amendment in clause (a) of sub-rule (3) of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 to inter-alia substitute the expression 'exceeding ten per cent' with 'amounting to ten per cent. The amended policy is uploaded on the Company's website and may be accessed at the link:

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

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

The details of the Related Party Transactions entered into by your Company during the financial year 2016-17 has been enumerated in Note no. 40.20 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 Act 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 Lakh**
NIL as per Company's Policy on material Related Party Transactions.					

RISK MANAGEMENT POLICY

Your Company has formulated a Risk Management Policy in the year 2008 with the objective of Adoption of a Risk Assessment / Identification Policy, Implementation of Risk Assessment, Evaluation & Minimization Procedures and for reviewing the procedures for controlling risks through a properly defined framework. The Risk Management Policy has been uploaded on the Company's website:

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

DEPOSITS

Your Company has not accepted any deposits from the public during the financial year 2016-17 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 OR 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 (IFC)

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 2016-17, 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 few areas of observations/ improvements.

b. These areas of improvements have been discussed and agreed with management and necessary action plans are being initiated by them.

VIGILANCE

Dr. Akhilesh Kumar Ambasht, IFS is the Chief Vigilance Officer with effect from 16th August, 2016.

Your Company strongly believes in public participation which helps in promoting integrity and eradicating corruption. All stakeholders are continuously encouraged to follow processes and combat corruption. The Vigilance department tries to reach out to public to be more vigil and be aware of any wrong doings and also not to indulge in wrong practices, which may have taken place and thereby ensure corrective measures for future purposes. It is our endeavour to uphold the desired level of honesty and probity in public life by ensuring transparency in all aspects of the management's functioning. Considering the vast magnitude of the problem of corruption, the efforts at the level of organisation can never succeed to bear the desired results, unless the measures are strengthened through a unified approach.

Needless to mention that during the Vigilance Awareness Week this year, the Vigilance Department organised various programmes like Presentations/ Seminars in different locations and Quiz/Slogan/ Essay/Debate Competitions in various schools/ colleges which were covered on TV by DD Bangla and Kolkata Doordarshan. Vendors Meet was also organised at all locations, Anti-corruption wrist bands were distributed, posters/banners were displayed and Individual Integrity Pledge was taken by the employees and their families.

Vigilance Department stringently follows and circulates the laid down policies and guidelines of the Company and CVC circulars/directives as well as the amendments from time to time. Our aim is to promote transparency, fairness, equity and leverage technology to combat corruption in all the areas of the Company. Technology will help us in bringing efficiency as well as transparency and therefore needs to be assimilated and integrated into all aspects of our decision making. We have endeavoured to make all our activities (i.e. procurement, payments, outsourcing, recruitment etc. which are vulnerable to unethical practices) available on an open platform for all the stakeholders. We have our obligation towards our stakeholders to provide the necessary information regarding – tender notification, status of tenders, placement of orders, status of products delivered and payments etc., all these are possible when we fully embrace technology. With the help of technology, your Company has been doing business in an extremely ethical and transparent manner. This has lead to reduction of complaints and helps to raise the morale of your Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company had established a Vigil Mechanism / Whistle Blower Policy in January 2010. Although at that particular point of time the same was a non-mandatory requirement under the listing agreement. 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 2016-17 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).

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. G.S.R. 463(E). dated 5th June 2015 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. G.S.R. 463(E). dated 5th June 2015, 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 currently has total 7 Directors, out of which 5 are Whole-time (Functional/ Executive Directors), 2 are Non-executive Directors one being Government Nominee Director and other an Independent Director. The Board consists of 3 Women Directors.

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

Ms. Indrani Kaushal has been nominated by the administrative ministry as Government Nominee Director of the Company for a period of three years on co-terminus basis or until further order from the administrative ministry whichever is earlier. Ms. Kaushal was appointed as a Government Nominee Director in the form of an Additional Director of the Company with effect from 27th December, 2016 in terms of Section 161 of the Companies Act, 2013 and Articles 7A and 9 of the Articles of Association of the Company. The resolution of her appointment as Director of the Company is submitted to the shareholders for their consideration at the 100th AGM.

Ms. Atreyee Borooah Thekedath was nominated as Independent Director of the Company for a period of three years or until further orders from the administrative ministry. Ms. Borooah had been appointed as an Independent Director, Additional Director of the Company with effect from 13th February, 2017. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 the resolution of her appointment as director of the Company is submitted to the shareholders for their consideration at the 100th AGM.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with Article 12 of the Articles of Association, Shri Prabal Basu (Chairman & Managing Director) and Shri Kalyan Swaminathan, Director (Service Businesses) would retire by rotation at the ensuing Annual General Meeting and they are eligible for reappointment at the said Meeting.

A Brief Profile of the Directors proposed to be appointed/reappointed is mentioned in the notice of 100th AGM and in the Corporate Governance Report.

CESSATIONS

- Shri Alok Chandra, Government Nominee Director ceased to be a Director of the Company effective at the close of the business hours on 10th February, 2017 consequent upon withdrawal of his nomination by the MoPNG.

- Shri Prashant Sitaram Lokhande, Government Nominee Director ceased to be a Director of the Company effective at the close of the business hours on 10th February, 2017 consequent upon withdrawal of his nomination by the MoPNG.

The Board places on record its deep appreciation of the guidance and significant contribution made by Shri Alok Chandra and Shri Prashant Sitaram Lokhande 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 2016-17.

As on 31st March, 2017, the Audit Committee consists of five members out of whom one is a Non-Executive Government Nominee Director, three Whole-time Directors and One Non-executive Independent Director being the Chairperson of the Committee. All the members of the Audit committee are financially literate and many of them have expertise on financial matters. The composition of the committee is as under :

Names	Position Held
Ms. Atreyee Borooah Thekedath	Chairperson
Ms. Indrani Kaushal	Member
Shri D. Sothi Selvam	Member
Shri Kalyan Swaminathan	Member
Shri Shyam Sundar Khuntia	Member

The Company Secretary acts as the Secretary of the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

STATUTORY AUDITORS & AUDITORS' REPORT

STATUTORY AUDITORS :

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 2017-18 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 2017-18 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 2017. On the basis of the audit, CAG states that nothing signiflcanl 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, your ratification for payment of remuneration to the Cost Auditor for the financial year 2017-18 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, 2016 were filed on 7th September, 2016 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. Siddhartha Murarka, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2016-17. The Secretarial Audit Report in Form MR-3 for the Financial Year ended 31st March, 2017 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 Secretarial Auditor has qualified their Report as mentioned 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;	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.

Sl. No.	Observation / Comment/ Qualification of the Secretarial Auditors	Clarification from the Management
		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.
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.	We are a Government Company as it is evident from our shareholding pattern. As per the Articles of Association of the Company so long as the Company remains a Government Company, the President of India shall be entitled to appoint one or more person(s) to hold office as Director(s) on the Board. Accordingly, Ministry of Petroleum & Natural Gas, being the Administrative Ministry directs us regarding change or appointment of Directors. The Company has intimated the need for appointment of Independent Directors to the administrative ministry.

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

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & CFO

Registered Office:
Balmer Lawrie House
21 Netaji Subhas Road
Kolkata – 700001.
Date: 27th July 2017

ANNEXURE - 1

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of the Board's Report for 2016-17)

The Management Discussion & Analysis (MDA) seeks to provide to the Shareholders of the Company an overview of each of the Strategic Business Units [SBUs] of the Company and analyses the underlying economic factors, which have influenced or impacted the performance of the Company with focus on the financial year 2016-17.

During the first half of the financial year 2016-17 the Real GDP grew at 7.2 percent. The gap between Consumer Price Index (CPI) and Wholesale Price Index (WPI) which had serious implications for the measurement of GDP, during the year 2015-16, has narrowed considerably during the year 2016-17. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent.

At the sectoral level, growth of agriculture & allied sectors improved significantly in 2016-17, following the normal monsoon in the current year which was preceded by sub-par monsoon rainfall in 2014-15 and 2015-16.

After achieving a real growth of 7.4 percent in terms of value added in 2015-16, the growth in industrial sector, comprising of mining & quarrying, manufacturing, electricity, gas & water supply, and construction sectors moderated in 2016-17. This is in tandem with the moderation in manufacturing, mostly on account of a steep contraction in capital goods, and consumer non-durable segments.

The eight core infrastructure supportive industries, viz. coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity registered a cumulative growth of 4.9 per cent during April-November, 2016-17 as compared to 2.5 per cent during April-November, 2015-16. The production of refinery products, fertilizers, steel, electricity and cement increased substantially, while the production of crude oil and natural gas fell during April- November, 2016-17.

As in the previous years, the service sector continued to be the dominant contributor to the overall growth of the economy.

However, in the area of Logistics, India is handicapped relative to competitors in a number of ways. The costs and time involved in getting goods from factory to destination are greater than those for other countries. Further, very few large capacity carriers call on Indian ports to take cargo hence exports have to be transhipped through Colombo which adds to logistics costs which reduces the flexibility for Indian manufacturers.

In tourism sector Foreign Tourist Arrivals were 8.9 million with growth of 10.7 percent and Foreign Exchange Earnings were at US$ 23.1 billion with a growth of 9.8 percent.

This year has been marked by several historic economic policy developments. A constitutional amendment paved the way for the long-awaited and transformational Goods and Services Tax. Many new initiatives have been taken up by the Government to facilitate investment and ease of doing business in the country. Noteworthy among them are initiatives such as Make-in-India, Invest India, Start Up India and e-biz Mission Mode Project under the National e-Governance Plan. Measures to facilitate ease of doing business include online application for Industrial License and Industrial Entrepreneur Memorandum through the eBiz website 24x7 for entrepreneurs; simplification of application forms for Industrial Licence and Industrial Entrepreneur Memorandum; limiting documents required for export and import to three by Directorate General of Foreign Trade; and setting up of Investor Facilitation Cell under Invest

India to guide, assist and handhold investors during the entire life-cycle of the business. All these initiatives are expected to give a big boost to all the sectors of the Indian economy.

The outlook for the next financial year suggests positive growth, as the currency in circulation returns to normal levels and taking into account the significant reform measures initiated by the government. India has come a long way in terms of economic performance and reforms.

The positive macro-economic outlook for the country presents good opportunities of growth for Balmer Lawrie. 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 business segments.

1. INDUSTRIAL PACKAGING (SBU:IP)

Industry structure and developments

SBU: IP is the largest manufacturer and the market leader in the business of 200 Ltr capacity Steel Drums in India. The SBU has the capability to meet the Steel Drum requirements of neighbouring countries as well. The major clientele includes Global Transnational customers and large Indian companies.

Steel Drums are utilized for safe packaging and transportation of liquid and semi-liquid pulp, greases, powders, chemicals etc.

Company effects sale on pan India basis through six Steel Drum manufacturing facilities close to major consumption centres.

The main drivers of rigid industrial packaging are:

- Growth of end user industries
- Standardization on steel drums for packaging
- Conversion of plastic drums

Opportunities & Threats

The major opportunities for the SBU lie in:

- Increase in product range
- Benefit of the "Most preferred supplier" status from most of the large Steel Drum Buyers in India and neighbouring countries
- Moving up in value chain with customers
- Consolidation in the industry

The major threats being faced by the SBU are :

- Excess manufacturing capacity in the Industry leading to depressed pricing and margins
- Tender based supplies with wafer thin margins
- Public procurement policy of Government reserving the business of Government and PSU customers for the Small and Medium Enterprises.
- Shift of packaging from Steel Drums to alternative rigid packaging (Steel Bins in fruit segment)
- Recycling of used steel drums without proper adherence to HSE norms.
- Volatility in the steel Industry leading to unstable pricing

Segment-wise or Product-wise Performance

Sales of the SBU during the year 2016-17 was higher than the previous year. The higher sales volume was accomplished despite shrinkage of available market in the wake of directives to Government and PSUs to procure MS Drums only from Small & Medium Enterprises. .

Outlook

Forecast for 2017-18 appear to be as good as was in 2016-17. There would be no business from any of the Public Sector Oil Companies or Government in 2017-18. However, the SBU is geared-up to meet the challenges by aggressively positioning in the market through acquisition of new customers and improvement of market share from the existing customers.

Chemical and Transformer Oil Industry is expected to register higher growth.

Besides, the SBU's ability to deliver "just in time" quality products to its customer in all the regions, the Navi Mumbai plant will provide competitive advantage to the SBU being located at the close proximity of one of the largest consumption centers for Steel Drums in Western Region.

Risks & Concerns

1. New manufacturing units of competitors coming up at Gujarat (in and around the Chemical Market) and Chittoor (in and around the Fruit Market) is going to enhance the competition in the industry, which is already suffering from over capacity.
2. Escalation of inputs cost, not reimbursed by customers due to competitive pressures.
3. Other than MNC customers very few customers provide significant weightage to HSE compliance in selection of vendors for steel drums.

Discussion on Financial Performance with respect to Operational Performance

During the year, the SBU maintained its profitability in spite of increase in steel prices. The SBU achieved higher sales through stabilization of the Navi Mumbai plant and improvement in operational efficiencies through Operational Excellence across various manufacturing units.

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 plants of the SBU. All the six plants under the SBU are certified for ISO 9001:2008 and ISO 14001:2004. Five plants are certified for ISO 18001:2007. Additional controls are maintained through Internal Audit, Vigilance Inspection etc.

Material Developments in Human Resources / Industrial Relations

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

2. GREASES & LUBRICANTS (SBU:G&L)

Industry Structure and Developments:

India is the third largest lubricant market globally in volume terms behind USA & China. The estimated finished lubricant market in India is 1.6 Million Metric Tons. Indian lube market is expected to grow at a CAGR of 2 – 4% over next five years. The Automotive segment accounts for 65% and the Industrial segment represents 35% of the market. Indian lube market comprises over 50 major lube manufacturers. Presence of global players such as BP Castrol, Exxon Mobil, Shell, Gulf, Total and Petronas and host of local manufacturers such as Tide Water, Raj, Savita, Apar, Pensol and Sah Petroleum has made the lube market one of the most competitive sectors. The premium lubricant sector is dominated by BP Castrol, Exxon Mobil, Shell, Total, Fuchs, Kluber etc. Public sector companies such as IOCL, BPCL and HPCL continue to hold the major market share.

Opportunities & Threats

India continues to be the 3rd largest lubricant market in the world, making it a potential market for achieving volume growth by both PSU Oil Companies as well as private players including MNCs. However, the market is fragmented and the lubricant companies are focusing on niche segments for their growth, based on their strengths and experience.

Emission regulations and customer specific requirements (long drain, high performance, cost of ownership) lead to a shift towards synthetic and semi-synthetic lubricants. Currently the share of synthetic and semi-synthetic grades in India is low but this segment is growing rapidly.

Current lubricant industry is driven by **"technology"** as well as **"customer value proposition"**. Value proposition for customers can be achieved through:

1) Investment in R&D capabilities for new product development
2) Investment in OEM Approval and endorsement
3) Branding, marketing programs and engagement with customers

Segment-wise Performance

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

a) **Processing / Contract Manufacturing:**
   - Margin is a challenge in the processing business and hence, the SBU is focusing

on contract manufacturing to increase the average margin in the segment.

b) Direct Sales :

- More thrust is being given in this segment which is resulting in positive growth.

c) Channel Sales (Retail and Industrial) :

- Branding, sales promotion, product differentiation are key volume and margin drivers. Adequate thrust is being laid on these aspects and there is healthy growth.

Outlook

- ✦ In Indian market, channel sales (Automotive & Industrial) is the most profitable amongst the sales verticals. The SBU has definite plans to grow in channel sales through increasing brand visibility and expanding retail network.
- ✦ In Direct / OEM Sales, new customer acquisition will remain the key driver for growth.
- ✦ Focus would be on import substitution, thereby substantiating the **"MAKE IN INDIA"** campaign.

Risks & Concerns

The major risks in the business are:

a) Cut-throat competition with more than fifty companies operating in India

b) Limited product endorsement especially of Foreign OEMs

c) Difficulty to capture the retail automotive sales through petrol pumps

Internal Control Systems & their Adequacy

The SBU has a detailed Management Information and Control System to monitor performance against budgets / targets.

All the three manufacturing units of the SBU are certified for quality management systems and periodic audits are being conducted for ISO 9001-2008, ISO 14001:2004 and OHSAS 18001:2007.

The Silvassa plant, in addition, has the ISO/TS 16949:2009, a world class quality assurance system specifically for the Automotive industry.

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

Regular audits have been conducted during the year for assessment of internal control systems - 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, despite severe price competition from PSU Oil Companies, major MNCs and other private players and sharp hike in base oil and lithium hydroxide prices, the SBU has been able to better its overall performance level in terms of production and sales as compared to last year.

During 2016-17, the sales turnover of the SBU witnessed a growth of 6.5% over last year. The bottom-line for the year has, however, been affected due to abnormal increase in lithium hydroxide price, increase of base oil prices in the second half of the year and increase of other input prices which could not be passed on to the customers fully because of the market situation and contractual delivery terms.

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 (SBU:LC)

Industry Structure and Developments

The Leather Chemicals industry is highly competitive comprising of reputed MNCs and domestic companies as well as small local and transnational players. Bigger players offer a range of products across all three segments such as beamhouse, wet-end and finishing, while smaller players may offer products limited to one segment or even a sub-segment. More organized and reputed players adopt pull strategy by generating orders through technical services, while small local players adopt push strategy by aggressively pricing their products and as a replacement to an already established product of competitor. Others follow a mix of push and pull strategy.

The global trade in leather and leather products has not undergone any significant change in the past five years. There has been a shift in leather production from developed countries to developing and under developed countries. In spite of the Indian leather industry being bestowed with an affluence of raw materials through 21% of world cattle and buffalo population and 11% of world goat and sheep population and given the fact that Indian exports of leather and leather products have been growing at a rather steady rate over the past 10 years, the industry still accounts for only 3.69% of global trade.

Over the past few years, consolidation through merger and acquisition has become a norm in the Leather Chemicals industry. To increase product range and product depth, companies have either joined hands or merged to strengthen their product portfolio or have acquired companies to strengthen their position in a particular segment, which was earlier missing. Being a fashion driven industry, regular product development is one of the key focus areas of the leather manufacturers and chemical companies. This has satisfactorily addressed the product development needs of the customers through regular technical service and has helped the SBU to stay ahead of competition.

Opportunities

Being the market leaders in the synthetic fat liquor, the SBU has a well-developed distribution network, loyal customer base and adequate number of technical service centers, which can be leveraged by the SBU towards enhancing its business in other segments.

The SBU sees opportunity in enhancing sales through newly introduced products, matching the quality offered by products of reputed MNCs and yet competitively priced.

Opportunity also lies in the syntan market space where the SBU can penetrate further. New Beam House chemicals developed by the company have been well appreciated by our customers. The SBU has plans to foray into Finishing Chemical segment by leveraging the existing distribution network, technical service centers and cordial relationship with customers to its advantage.

Threats

Shrinking market of leather due to substitution products such as synthetic leather, environmental issues pertaining to leather manufacturing, attractive price of imported chemicals due to devaluation of Euro and limited availability of hides due to regulations are some of the threats being envisaged by the SBU.

Segment-wise or product-wise performance

The SBU has achieved significant profits through increase in domestic sales coupled with cost reduction & efficiency improvement initiatives and reduction in prices of major raw materials.

Outlook

The global market trend is encouraging. The company has plans of entering into the finishing segment and also strengthening its product basket in beamhouse and wet-end segment through development of new products.

Risks and concerns

Intense competition and push sales strategy adopted by domestic competitors is eroding the margins. Currency fluctuations impact the earnings of the leather exporters as well as the price of imported chemicals. Adverse effect due to currency fluctuations has direct as well as indirect impact on the SBU's business.

REACH as well as other stringent customer specific norms and environmental issues pertaining to effluents from tanneries are some of the major concerns of the leather industry.

Internal control systems and their adequacy

The manufacturing units, Product Development and the marketing functions are certified for Integrated Management System comprising of ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 of M/s. International Certification Services Private Limited, Mumbai.

The SBU is registered as a Member in Leather Working Group, UK (LWG).

Discussion on financial performance with respect to operational Performance

The SBU has achieved the highest ever profit from this activity since its inception.

Material developments in Human Resources / Industrial Relations

The SBU continues to upgrade the skill of each and every employee by providing necessary training. SBU is maintaining cordial relationship with industries and employees.

4. SBU LOGISTICS

Logistics Infrastructure (LI)

Industry Structure & Development

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 set up primarily with a view to decongest ports. CFS provides an integrated platform for activities such as loading/unloading, transporting and stuffing, De stuffing of containers. During 2016-17, container handling at top 12 Ports in India grew by 4 % which is higher than the last year's growth of 3%.The total container throughput in India during 2016-17 was around 10.5 million TEUs while it was 10.18 million TEU's in 2015-16.

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. The import volume in the three ports of JNPT, Kolkata and Chennai improved by 5% and the volumes moved to CFS from Port in these three cities rose by 2% during 2016-17 as compared to the earlier year.

The growth was mainly attributable to the Increase in global trade and development oriented policies taken by the government to make India a destination for investment in many sectors. The containerised cargo stood next to the oil and petroleum products in terms of cargo traffic handled at major ports. The industry witnessed the implementation of technology driven policies to clear the containers or cargo at fast pace so as to facilitate "ease of doing business" for the importers and exporters. One such initiative was implementation of Direct Port delivery- DPD at Nhava Sheva during the fourth quarter of FY 16-17 resulting in a huge reduction in volume available for CFS.

Warehousing & Distribution: The integration of the fragmented components of the logistics sector (such as services, transportation, packaging, tracking, etc.) and the move from the use of traditional "godowns" to functional warehouses has, indeed, made the logistics sector much more efficient. India's Logistics Cost is at 13% to the GDP compared to 6-8% of the GDP of many developed Countries. Although it has come a long way, India's logistics sector still has a lot more to achieve in order to stand out in the global market.

Warehousing and Distribution facilities are presently available at Kolkata and Coimbatore. The Indian Warehousing industry of late has transformed itself into an active one by providing Value Added Services (VAS). With implementation of GST, India would become a uniform, common market for Goods and services, breaking state barriers and borders. This would lead to re-engineering of warehousing strategy by various manufacturers and Logistics companies. Decisions on location of warehouses will no longer be driven by tax considerations in the GST regime, interstate transactions would be on par with intrastate transactions as far as applicable taxes are concerned. Warehousing decisions will henceforth be driven by considerations like location of major customer / market and optimization of goods movement.

India's cold chain industry is still evolving, not well organized and operating below capacity. The Indian cold chain market is highly fragmented with more than 3,500 companies in the whole value system. Organized players contribute only ~8%–10% of the cold chain industry market. Most equipment that are in use is outdated and single commodity based.

Cold storage capacity is expected to grow at nearly 13% per annum on a sustained basis over the next 4 years, with the organized market growing at a faster pace of 20%. The key growth drivers include growth in organized retail and food service industry, government's initiatives, rising export demand for processed and frozen food. The industry has now become an integral part of the supply chain industry comprising of refrigerated storage and refrigerated transportation.

Opportunities & Threats:

Opportunities:

There are opportunities for growth as India's containerisation level is still much lower than most of the developed countries which offers a glimmer of hope to this industry. Further, there are Ports where numbers of CFS operators are quite less. It can also be noted that the growth of traffic at non major ports has been increasing significantly year on year. Increasing volume of reefer containers and increased scope of handling project cargo would be of great help for performance improvement in near future.

With the implementation of GST and the increase in volume of containers getting cleared through Direct Port delivery, the handling of LCL consolidators' cargo and venturing into Warehouse and its affiliated activities can be seen as opportunity in the long term. Large import houses are showing keen interest to have direct negotiation with CFSs by removing dependence on mediators, which is likely to be a good opportunity for CFS operators. In addition to this, due to the strict implementation of policy of Direct Port Delivery by customs, Import houses are in need of the Warehouses/CFS where they can stock the cargo till their customer requires the raw material.

The advantage of BL having its CFS in three major locations, the strength of relationship with major shipping companies through its other activity Logistics Services, its efficiency of operations and ability to offer integrated and customized services are continuously providing opportunities for growth for business. The size of the Industrial warehousing is estimated at Rs.330 billion. Growth in outsourcing of Logistics and Warehousing Services, greater technology adoption, concept of Warehouse sharing, implementation of GST etc. are all likely to add to the buoyancy of this vertical. Factors such as growth in external trade, growth across major industry segments such as automobile, manufacturing, pharmaceuticals and FMCG and the emergence of organised retail have had favourable implications on the growth of the warehousing industry.

Threats:

For the last few years, CFS /ICD industry was facing tough times which reflected in declining container volumes for CFS and reduced Profit margins for most of the operators primarily due to difficult global environment as well as issues on the domestic front like low technology utilisation, customs procedures, increasing port congestion, increasing demand for incentives from Shipping Lines, CHAs, Forwarders, reduction in logistic costs sought by Importer and Exporter, Shipping Lines wanting to have their own CFS and offer captive market to their CFS etc.

Increase in the costs of the shipping lines make the Shipping Lines to go for mergers/ consolidation to bring down the costs and work to their capacities. The decrease in the dwell times of the containers at the CFS is effecting the bottom line of the organization. The competition in the industry is forcing the players to follow the same suit so as to retain the volume.

Besides this, giving a push to the 'Ease of Doing Business' initiative, the Prime Minister's Office (PMO) had directed the shipping ministry to increase the share of "direct delivery" consignments at Indian ports to 40 per cent by the end of FY 2016-17. Under this direct port delivery (DPD) system, the imported containers are directly delivered to the pre-approved clients instead of waiting at container freight stations for clearance. In a recent performance review, the shipping ministry identified DPD system as one of the primary ways to decongest major ports of the country and reduce total logistics cost. It was only in February this year that India's largest container harbour Jawaharlal Nehru Port Trust (JNPT) extended its DPD facility to each of its pre-approved clients, irrespective of their trade volume. As part of the same, our CFS's volume at Nhava Sheva got affected severely during the fourth quarter of the FY16 -17. On an average around 30% of the total volume is getting cleared through Direct Port Delivery which is a huge volume, considering the size of the market 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.

Growth in share of Minor ports, higher efficiency in operations in private ports etc may lead to volume getting diverted from the three major ports of JNPT, Kolkata and Chennai to nearby ports. This could affect the volumes for the Company. Growth in exports has been muted for the last few months. There is no perceptible improvement in Project activity in the country. These could affect the volumes. Excess capacity build up in the three locations where the Company has CFS is seen as negative growth driver for the business vertical.

On the positive side, however, several growth drivers are expected to spur growth of industrial warehouses. Support from Government in addressing long pending issues will quicken the growth momentum.

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

Main challenges for this industry are scarcity of domain Skills, lack of logistical support, Uneven distribution of cold storages, Cost structure and erratic Power supply in most of the places.

Segmentwise or Productwise Performance:

Logistics Infrastructure and Logistics Services verticals continue to drive the bottomline of the Company. During the year, the CFS business failed to grow in volume, revenues and earnings as compared to the previous year primarily due to adverse effects of the policies being implemented by the government for promoting the Direct Port Delivery and the competitive scenario prevailing in the industry. The company was able to retain its present set of customers. Warehousing activity continues to perform well during the year due to better utilisation of space.

Future Outlook:

Considering the potential in Cold Chain Logistics, the Company ventured into setting up Temperature Controlled Warehouses (TCW). The first state of the art TCW was commissioned in Hyderabad in March, 2016. The second TCW is established at Rai and is ready for operation. Some statutory approvals are awaited from the State Government. The third one at Patalganga near Taloja is expected to be ready for commercial operation by end of this fiscal. Through these facilities, the Company will not only be providing reliable temperature controlled solution but also act as a differentiator in the TCW domain.

Looking at the future of the cold chain industry, further expansion is planned on stabilisation of the operations of these three facilities.

Balmer Lawrie is setting up its MMLH (Multi Modal Logistics Hub) project at Vizag in partnership with M/s Visakhapatnam Port Trust (VPT). Based on the MOU signed with VPT, land of approximate 53 acres was allotted to the JV between VPT and BL for putting up a Multi Modal Logistics Hub. In this Multi-Modal Logistics Hub, facilities will be created for handling Exim and Domestic Cargo. The commissioning of the same is expected by early 2018.

Risks & Concerns:

Merger of Shipping Lines are witnessed in the industry. This is done with a view to bring down the costs by effective capacity utilisation. This can lead to hardening of freight rates as the level of competition comes down with consolidation of shipping lines.

The dwell time of the containers at the CFS have been falling drastically year on year due to the implementation of technology driven policies to get the clearance of the containers with minimum documentation work. Opportunities for earnings are coming down year after year and per TEU profitability is continuously under pressure. In view of the stiff competition, CFS are not able to pass on the increase in costs to the customers. Over the last few years, service levels being offered by a good number of CFS operators are almost similar with the users being indifferent to doing business with any particular CFS. Overall there is a substantial reduction in earning per TEU for most of the CFS operators. Entry Level barriers is not high and the new players can always get into the CFS business. Expansion of the existing CFS continue to be difficult as acquiring contiguous land with clear title in proximity is a time consuming and long drawn out process. Threat from DPD is very high especially for Mumbai as the volumes available for CFSs as a whole has come down sharply since the beginning of this calendar year.

The CFS business depends on the exim trade of the country. Any fluctuation in trade directly impacts the container traffic volumes. An area of concern is the lack of infrastructure development in and around Ports which results in traffic congestion and delay in transit times. All the aforesaid risks and concerns are faced by the entire CFS Industry. These are being addressed through appropriate management intervention, employee involvement and improved processes.

Internal Control Systems and their Adequacy:

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

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

Loaded Import arrivals to our CFS were down by 8% compared to the previous fiscal. There was no growth in export front. This resulted in bringing down the SBU’s turnover by 6% and the profits by 30% 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

India spends around 14.4% of its GDP on logistics and transportation as compared to less than 8% spent by other developing countries. The Indian logistics market is expected to grow at a CAGR of around 11% upto 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors, although it is observed that the expected growth has stunted from January 2017 onwards. The higher growth forecast is based on the smoother implementation of GST and the logistic companies optimizing their operations to reduce cost and increase their margins. The implementation of GST shall open opportunities for logistic companies to set up just a big few warehouses region wise and can follow hub-spoke model for freight movement from the warehouses to the different manufacturing plants, whole sale outlets, retail outlets and the various point of sales/services.

Smart Growth in Logistics sector is also expected; thanks to the boom in the e-commerce sector and expansionary policies of the FMCG firms. This has increased the service geography of the logistics firms but they also have to meet the demands of quick delivery and challenging service level agreements. The logistics firms are moving from a traditional set up to the integrated set up comprising IT and technology in order to execute their operations in an effective way to reduce the costs. The industry as a whole has moved from being just service provider to the position where they provide end to end supply chain solutions to their customers.

The industry is becoming more customer centric with the entry of global giants and large Indian corporate houses. A series of mergers and acquisitions are also seen leading to consolidation at various levels and segments. Many companies are also planning to broaden their area of operations and are also planning to develop their own logistics parks across the country.

Opportunities and Threats

Air freight services continues to be a dominant activity of the SBU and provides more than 62% (earlier 50%) of the SBU's overall top line. The dismantling of Transchart has opened up new opportunities in Ocean freight activity, which the SBU is keen to capitalize on. As CIF imports are on the increase, there is a need to have strong set of foreign associates who can help in coordinating business at the other end. As BL is in CFS operations since 1994, its relationship with Shipping lines can be leveraged to get more competitive rates for ocean freight which in turn can help BL in grabbing more ocean freight business.

The industry continues to be predominantly unorganized with low entry barriers. This feature, although has remained unchanged, is a mixed blessing. This ensures that the business is always done at competitive rates and there is a need to provide consistent quality of service to the customers. More technology supported firms are entering the fray leading to customer delight and fundamentally altering the way the business was run in the last few decades. Threshold level in service is constantly challenged posing more and more issues to those firms not keen to invest in technology.

The advent of giants as well as entry of more domestic players in the expanding logistics market has already made the industry more competitive which the SBU is countering through multi focused strategies.

Segment wise or Product wise Performance

During the year the LS Vertical achieved a growth of 13% in top line which is primarily on account of surge (15% growth YOY) in air freight & ocean freight activities. The Vertical could also achieve the highest ever volume on Ocean freight during the year. Profitability improved due to better sales mix and due to a higher volume of Project logistics handled.

Outlook

Despite pinpricks faced in 2016-17, the outlook for the industry looks bright. With 'Make in India' push by Central Government, it is expected that there will be heightened activity of Imports of raw materials, Capital equipment and intermediates. Exports are also expected to sharply increase once the "Make in India" campaign reaches a feverish pitch when India would be producing much more than its requirement.

Air freight although much costlier than ocean freight, with extra belly capacity being created by many new entrants, there is expected to be a softening of the air freight rates. Sea freight continues to be attractive for well planned exim activity. With more organized shipping schedules, many manufacturers are able to rely solely on sea freight for their exim movements.

Project Logistics is also expected to get a big boost as more and more multi national companies are setting up manufacturing hubs in India and huge ODC and OOG cargo is being carried.

Overall, the industry is poised to grow although there may be some hiccups here and there on account of policy changes in India, changes in industry at the international level, entry of multinationals in the industry etc.

Risks and Concerns

The competition in the logistics market is likely to get more intense in the coming days on account of mergers and acquisitions seen in this industry, which are aimed at increasing the market share. The competition is quite acute in those segments where BL operates.

The Introduction of Custom Duty on Imports by Defence Ministry as well reduction in the Free Time at Airport/Port created havoc for all in the industry. Major shipments are being converted into CIF from FOB which affects volumes available for Freight Forwarders like us. The industry as a whole is moving from being a mere service provider to one stop solutions provider to their customers. All the major players spend a good amount on IT to provide a "differentiated" service to their customers. Those organisations which lag behind in spending adequately on IT get squeezed out in the competition. The advanced IT solutions are being offered without any extra charge to the customers.

Industry is moving towards the consolidation of Shipping Lines especially after the Bankruptcy of Hanjin. The sudden withdrawal by Hanjin created a ripple in the market. Many shipping Lines have realized the commercial sense in joining hands with other lines with a view to consolidate the supply side and to avoid undercutting each other. This move has already started paying rich dividends with freight rates hardening in the last few months. Freight rates are very volatile now a days & not a single Shipping Line is willing to hold the rates for 3 months, which results in difficulties in quoting for tenders with a long delivery period/long duration of the work order.

Despite the above concerns, the SBU is confident that this industry will continue to grow as the economic activity all over the world and specifically India is anyhow expected to keep growing in the foreseeable future. BL is also taking adequate steps to mitigate the challenges through increasing the global network of associates and offering our clients single window logistics solutions. The SBU has revamped its existing technology and has plans to further upgrade the same in the near future to meet future business challenges.

Internal Control Systems and their Adequacy

The SBU has in place an effective Internal Control mechanism and during the year under review, a fairly large number of Internal Audits were carried out in all branches and the findings were found to be satisfactory. Random test of Internal Financial control on areas involving billing to customer etc were carried out by Statutory Auditors in compliance with new requirements under the Companies Act, 2013 and results indicate conformity with the control system. All the branches of the SBU are ISO accredited and accreditations are successfully renewed every year.

Discussions of Financial Performance with respect to Operational Performance

Logistics Services vertical during 2016-17 achieved the highest ever top line and PBT registering a growth of 13% in Turnover over the previous year.

Material Developments in Human Resources/ Industrial Relations

Industrial relations continued to be cordial at all units of the SBU: Logistics while operating with optimum manpower.

5. TRAVEL & VACATIONS (SBU:T&V)

Industry Structure & Development

Synergy from the two verticals, viz Ticketing and Vacations have resulted in more customers and Government Entities opting to go for a complete end to end travel services including hotels and holiday packages, rather than just booking air tickets with the SBU.

Today SBU: Travel and Vacations is one of the largest tours & travel operators in the country which provides end to end domestic and international travel, ticketing, tourism and MICE related services to its clients. It is one of the oldest IATA accredited travel agencies of India. Operating from more than 88 locations across 19 cities in the country, Balmer Lawrie works round the clock to provide reliable innovative and cost effective travel solutions to its customers. Apart from the major Central Government Ministries and Public Sector Undertakings, the SBU over the last three years has added to its clientele list, banks and insurance companies.

The government of India, as an austerity measure, down scaled the entitlement on domestic sector of Government Officials. Further, Government report suggests that the average domestic air fares dropped by about 18% in the financial year 2016-17. Airlines continue to offer lower or no commissions and minimal performance linked bonus (PLB). Despite these adverse factors, the Travel business has registered an improved performance during the year 2016-17.

The global terror attacks, epidemics and internal disturbances has led to tourists either cancelling or deferring their holiday plans which has led to relatively lower rate of occupancy and with increased competition, even hotels were offering lower than average room prices. These trends affected the performance of the vacations unit.

Opportunities & Threats

Travel & Tourism is one of the world's largest industries and the Indian Outbound Market is emerging as one of the fastest growing sector. In absolute numbers, overall amount of spending by travellers in outbound travel sector in India is second only to China. Increase in disposable income has energized the sector to grow further and, accordingly, the outbound tourism is on growth path.

The successful merger of Vacations business with the Ticketing vertical has opened up new avenues. The brand Vacations Exotica is amongst the leading holiday brands in the country and has 99.9% customer satisfaction. Known for its innovative products, the SBU now has an access to various other streams of revenue like Hotels, Transportation, Holiday Packages and Forex.

The travel unit continues to be a top volume contributor on gross basis having a base of over 1 Million customers and continues to be patronized by the PSUs and the Government. The successful implementation of the Self Booking Tools (SBT) in some PSUs present an opportunity to venture out and look for private corporates. The defence sector is also showing improved buying of tickets through the defence portal.

There is always a threat that the Government may withdraw its support to the company as one of the preferred travel agency for its travel needs. Other threats such as delayed recovery of dues from Government departments, increased push by airlines to sell their tickets through their portal, higher competition due to very low entry barrier continue. Deep discounting and aggressive marketing by the Online Travel Agencies (OTAs) pose a grave threat to the Vacation vertical of the SBU.

Segment – wise & Product – wise performance

Despite the stiff challenges in Travel industry, the SBU has continued to provide sizeable turnover from the Travel & Vacation business. The increase is almost 6% since last year. Domestic travel accounted for 62% of the turnover while International travel was around 23%. The revenues generated from the tours and other activities touched 8% and 7% of the turnover respectively.

Travel being major part of SBU's current business, the SBU has faced with similar challenges like last years due to reduction in credit period by the Airlines and non-payment of service charges by most of the customers. Nevertheless, the division has increased it's contribution considerably compared to last year on account of commission being reintroduced by some Airlines and effective usage of funds through introduction of credit card for payment to Airlines.

In the last one year the Company has strengthened its position in the leisure travel segment of the retail market and this Vacation Vertical has added many retail clients. It is expected that this vertical will play a significant role in the SBU's growth as an end to end travel solution provider.

Future Outlook

Low cost carriers (LCC) have started operating on both domestic and international sectors and adding new aircrafts. This will certainly help in growth in volumes of the industry. With more than 1.1 billion inhabitants and GDP increasing by more than seven percent every year, India offers enormous potential for future growth in outbound travel. The UNWTO predicts that India will account for 50 million outbound tourists by 2020. While business travel, holiday and VFR trips dominate outbound volumes, people are also opting for niche products like sports tourism, luxury travels, MICE, honeymoon packages and cruises. With the present setup the SBU is said to take advantage of this growth.

Risks & Concerns :

Most of the travellers are internet savvy and would like to book their tickets and holidays directly by scanning various portals/websites. Travellers paying a visit to a Ticketing office for booking their tickets is certainly coming down. Further there are websites that offer the fares offered by various OTAs and one can by click of a button know the website through which one has to make one's booking. Further airlines also tend to promote sales through their portal and seem hesitant to market their inventories through IATA agents. The share of business enjoyed by brick and mortar travel agents is certainly coming down by the day and unless there is a clear value addition, the sale of tickets through agents can become totally extinct.

Despite this gloomy scenario, every major Corporate Travel Management company feel that they are here to stay despite the ease of booking tickets introduced by OTAs. The optimism on this account stems from the fact that only established players will be able to offer credit, better customer service and work out a good corporate deal with various airlines. Continuous increase in volumes is the key to survival in this industry. This can happen only if new customers are added year on year and the existing customers are retained.

Concerns are in the areas of collection of dues in time, availability of trained quality manpower, high attrition levels and poor IT penetration. Balmer Lawrie is fully conscious of the risks and concerns of this industry and has a clear strategy to move forward and remain as one of the top corporate travel management company. The Company is also leaving no stones unturned for effective utilisation of Information technology to provide best in class services.

Internal Control System and their adequacy :

After demonetisation announcement in November 2016, the SBU has advised the customers who were paying in cash to deposit their dues by cheque or transfer the money directly into Company's account. This has naturally lead to a better internal control. Implants accounting and MIS from Implants have been strengthened during the year. A study was made to identify possible areas where internal controls can be strengthened in the SBU and the recommendations are being implemented across the SBU. Overall, there are concerted attempts to have an effective system for receipt of bookings, make reservations, issue tickets, collect money and account for the same, seamlessly.

As is customary, Internal audit was carried out across branches and recommendations are being implemented.

Material Developments in Human Resources/ Industrial Relations:

At the junior level, there is a tendency to hop jobs leading to high attrition levels which certainly affects day to day running of the business. Well trained staff leave even for a small increase in pay. Efforts are made to keep the staff motivated such that they remain for a longer time in the company and have a meaningful career progression in the company. It is acknowledged that right across the SBU, industrial relations remained cordial throughout the year.

7. REFINERY AND OIL FIELD SERVICES [SBU:ROFS]

Industry Structure and Developments

The SBU: Refinery & Oil Field Services is engaged in the activity of Mechanized Sludge/sediment Cleaning and Hydrocarbon Recovery Services from Crude Oil Storage tanks and Lagoons. This continues to be a niche industry with very limited number of players and the SBU is a pioneer and market leader in this business.

Opportunities and Threats

The SBU continues to enjoy sizable market share in the processing of oily sludge. Additional growth opportunity exists with the implementation of strict pollution control norms in the Oil and other related industries.

The main threats visualized by the SBU relate to the emergence of new players in the niche market, though currently not many players are present in the segment.

Segment and Product wise Performance

In 2016-17, the SBU achieved significant growth in turnover due to high demand for this service from the Oil & Gas industry. However, the demand for such services in the power sector remained low.

Future Outlook

In the near term, the SBU aims to widen its service portfolio – involving processing of hazardous sludge in other industries. The SBU is weighing the factors pertaining to entry into Environmental Engineering particularly in the oily waste management and disposal, considering synergy with the existing operation of the SBU and expected to offer significant growth opportunities.

Risk & Concerns

The risk-profile of the SBU centres on emergence of competitive technology and processes. In order to manage risk, create product / service differentiation and take the technology to the next level, the SBU is endeavouring to bring forth technological evolution in its services so as to reduce human interferences.

A major concern for the SBU is the potential entry of international players in the Indian market, the same is likely to increase the competition and lead to pressure on profit margins.

Internal Control System and their Adequacy

The SBU has well defined working procedures to control downtime of plant and machinery. The SBU is accredited to ISO 9001: 2008. Procedures are reviewed periodically and upgraded for compliance.

Discussion on Financial Performance with respect to Operational Performance

In 2016-17, the SBU has achieved growth above the last year's turnover and also substantial increase in segmental profit. The SBU has also achieved substantial job booking for the next financial year. This is owing to high market demand for services in the current year along with improvements in operational efficiency and effective cost control.

Material Developments in Human Resources / Industrial Relations

Industrial relations continued to be satisfactory during the financial 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.

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ANNEXURE - 2

BUSINESS RESPONSIBILITY REPORT

The Directors present the Business Responsibility Report of the company for the financial year ended 31st March 2017 as per Clause 55 of the listing agreements entered with the Stock Exchanges.

Section A : General Information

Corporate Identity Number (CIN) of the Company	L15492WB1924GOI004835
Name of the Company	Balmer Lawrie & Co. Ltd.
Registered address	Balmer Lawrie & Co. Ltd. 21, Netaji Subhas Road, Kolkata – 700 001
Website	www.balmerlawrie.com
E-mail id	adika.rs@balmerlawrie.com
Financial Year reported	2016-17
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
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. Travels & Vacations
Total number of locations where business activity is undertaken by the Company a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	The company operates from India with its presence across the country. For more details on plant locations. Refer to section "Office and Plant locations" of the Annual Report.
Markets served by the Company – Local/State/ National/International	Balmer Lawrie products and services have a national presence and some of the products are exported to neighbouring countries including Nepal, China, Sri Lanka, S Korea, Iran , Kenya and Ethiopia

Section B: Financial Details

Paid up Capital (INR)	Rs. 11400,25,640
Total Turnover (INR)	Rs. 190117,48,000
Total profit after taxes (INR)	Rs. 17041,89,000
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 412,69,992.40 which is 2.42 % of the Net profit after tax

List of activities in which expenditure in 4 above has been incurred :-	The CSR amount is spent in following broad areas: I. Education II. Swachh Bharat Abhiyan III. Health IV. Skill Development V. Training programmes

Section C: Other Details

Does the Company have any Subsidiary Company/ Companies?

Balmer Lawrie & Co. Ltd has 2 subsidiaries and 4 Joint Ventures namely:

Subsidiary Companies:

I. Balmer Lawrie (UK) Ltd. [BLUK]

II. Visakhapatnam Port Logistics Park Limited [VPLPL]

Joint Ventures:

I. Balmer Lawrie (UAE) LLC (BLUAE)

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

III. Balmer Lawrie- Van Leer Ltd (BLVL)

IV. Transafe Services Limited (TSL)

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 presently has no operation and is incorporated in UK. VPLPL is the other subsidiary which is presently in the construction stage. Hence both the companies do not participate in the BR initiatives of BL.

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 is working towards including its supply chain in their BR activities. However presently none of the supplier or distributer is a part of our BR activity.

Section D: BR Information

Director/Directors responsible for BR

Directors are responsible for implementation of the following BR policy / policies:

Principle No.	Policy/Policies	Director(s) Responsible
Principle 1 (P1)	• 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	All Directors & Chief Vigilance Officer
Principle 2 (P2)	• HSE & Sustainability Policy	Director(Manufacturing Business), Director (Service Business) Director (HR & Corporate Affairs)
Principle 3 (P3)	• Sexual harassment Policy • Recruitment rules for officers and supervisors • Executive career progression rules	Director (HR & Corporate Affairs)
Principle 4 (P4)	• CSR & Sustainability Policy	Director (HR & Corporate affairs)
Principle 5 (P5)	• Sexual harassment Policy • Recruitment rules for officers and supervisors	Director (HR & Corporate affairs)
Principle 6 (P6)	• HSE & Sustainability Policy • CSR and Sustainability policy	Director(Manufacturing Business), Director (Service Business) Director (HR & Corporate Affairs)
Principle 7 (P7)	• Code of Conduct • Core Values	All Directors
Principle 8 (P8)	• CSR & Sustainability Policy	Director (HR & Corporate Affairs)
Principle 9 (P9)	• HSE & Sustainability Policy	Director(Manufacturing Business), Director (Service Business) Director (HR & Corporate Affairs)

Director responsible for implementation of the BR as a whole	
DIN Number:	07059799
Name:	Ms Manjusha Bhatnagar
Designation:	Director (HR & CA)

Details of the BR head	
DIN Number	
Name	Ratna Sekhar Adika
Designation	Senior Vice President - HR
Telephone number	033-22225413
e-mail id	adika.rs@balmerlawrie.com

Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies reflects the intent of the United Nations Global compact, GRI Guidelines and international standards such as ISO 14001, OHSAS 18001. NVG Guidelines issued by Ministry of Corporate affairs, Government of India.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.balmerlawrie.com/pages/viewpages/44								
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

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

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

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

To access the Business responsibility performance of Balmer Lawrie, the board Business Responsibility Committee (Present CSR Committee) meets once in 6 months.

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

This is the first Business responsibility Report of Balmer Lawrie & co. Ltd. It will be published annually.

SECTION E : Principle-Wise Performance

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

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 Board members and the senior management of Balmer Lawrie & co. ltd has to adhere to the code of conduct, constituted with an objective to manage the affairs of the company in an ethical and transparent manner.

The policies including Fraud Prevention Policy is extended to various stakeholders such as vendors, suppliers, contractors, service providers, consultants or any other external agency having business relationship and or associated with the company in any manner.

The whistle blower policy covers the employees including Managerial, Executive, Supervisory and Unionised employees. In addition any other category of Employees, (such as Outsourced, Contractual, Temporaries, Trainees, Retainers etc.) are also covered under the policy as long as they are engaged in any job / activity connected with the Company's operation.

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

During the Financial year 51 customer complaints were received and 50 were resolved.

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

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

As per the HSE and Sustainability policy, Balmer Lawrie is committed to work with its stakeholders to mitigate the environmental impacts of product life cycle and supply chain.

1. In this endeavour Balmer Lawrie has developed some unique esters for producing lubricants for some important segments which are biodegradable in nature. These are as follows:
   a. Polyol based esters with excellent thermal and good 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 esters for mineral oil free green jute batching oil.
2. We are using DOS -A coated steel, leading to Zero liquid Discharge at our Industrial Packaging Unit at Navi Mumbai.
3. Our Synthetic tanning product “MRF 50 FF” contains normally 3% formaldehyde. As an environmental initiative we have reduced the quantity of formaldehyde in our product by 1%.

For each such product, provide the following details in respect of resource use (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?

1. BL has developed some unique esters to produce lubricants for some important segments which are biodegradable in nature

   Use of ester based product has significantly helped in reducing the consumption of non-renewable mineral oil thereby significantly contributing in preservation of environment.
2. The use of a special steel at industrial packaging unit at Navi Mumbai has facilitated a saving of 500 KL of water consumption /month.
3. There is a saving of approximately 2160 Kgs/annum of formaldehyde due to a reduction of 1% usage in the product.

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.

Balmer Lawrie has adopted sustainable sourcing by means of proper vendor registration and vendor management system. To ensure quality and transparency in procurement we adhere to e- procurement and e- payment systems. While selecting our vendors we give adequate weightage to Health, Safety, Environment (HSE) and Sustainable practices.

As per the ministry of MSMEs “Public Procurement Policy” for micro and small enterprise, PSUs has to procure minimum 20% of products and services from MSMEs. In line with the policy, Balmer Lawrie encourages and purchases majority of our products and services from MSME by providing preferential access through EMD waiver etc.

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

In order to create a positive impact across our value chain, a number of initiatives have been taken by Balmer Lawrie. Most of our manpower and service related contracts, transportation etc. are awarded to vendors employing people from local communities. In addition Items such as consumables, stationaries, contract Services such as maintenance, Labor supply contract etc. Are issued to vendors/supplies that falls within a 50 Km periphery of the plant location.

Balmer Lawrie's carries out a number of capacity building and skill development training programmes for the local and small vendors.

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

At Balmer Lawrie, waste is managed in an efficient manner. We have separate storage areas for both hazardous and non-hazardous waste. 80% of the waste generated at SBU Grease and Lubricant is sent to authorised recycler. Hazardous waste including contaminated packaging material, ETP sludge is sold to the authorized hazardous waste recycler.

Principle 3 : Businesses should promote the wellbeing of all employees

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 workforce to express their opinions through their representative.

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

100 % of unionized employees are members of recognised trade unions & Non-Unionized Supervisors are members of Supervisor association. About 70% of executive employees are members of the Executive Association.

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

No complaints related to Child Labour, Forced Labour, involuntary Labour and sexual harassment was reported during the financial year (16-17).

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

(a) Permanent Employees
(b) Permanent Women Employees
(c) Casual/Temporary/Contractual Employees
(d) Employees with Disabilities

During the year 15 % of our permanent employees and 7% of our Casual/ Temporary/ Contractual employee were given safety and skill upgradation training.

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

Has the company mapped its internal and external stakeholders? Yes/No

During the reporting period, Company has initiated the process of Stakeholder engagement. As a result of which the company has mapped its internal and external stakeholders.

Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The company has a well-structured CSR and sustainability policy which focuses on improving the status of communities, particularly vulnerable groups such as women, children and elderly. It has identified disadvantaged, vulnerable & marginalized stakeholders.

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

Balmer Lawrie's manufacturing plants are located in areas dominated by various communities. The aim of the company is to meaningfully engage with stakeholders for socio-economic welfare and to provide development assistance to those communities and their habitat which are directly or indirectly affected by the business activities of Balmer Lawrie. The programme "Samaj Mein Balmer Lawrie [SAMBAL]" aims at improving the living standards and quality of life of population in and around the Company's work-centres.

Another flagship programme of Balmer Lawrie is BLISS (Balmer Lawrie Initiative for Self-Sustenance). The programme aims at improving the long term economic sustenance of the underprivileged.

Principle 5 : Businesses should respect and promote human rights.

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 ensures that neither the company nor any of its business partners indulge in any form of Human Rights violations. We are committed to work towards providing our employees and associates with a dignified work environment. Aligning with this we have constituted various committees at corporate and regional level for instance we have an internal committee to prevent any possible sexual harassment of women at workplace.

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

During the reporting period, no stakeholder complaints were received w.r.t. Human Rights violations.

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

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

Balmer Lawrie aspires to become an environmentally responsible organization. We have developed and implemented the HSE and sustainability policy across the organization. All our operations are carried out keeping in mind the environmental impact and efforts are made to minimize the same.

In line with Balmer Lawrie's HSE and sustainability policy, our Joint ventures have also developed their own HSE policy. At Balmer Lawrie, we are committed towards the environment and ensures that our contractors and suppliers abide by our HSE policy.

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

Balmer Lawrie being a proactive organization has taken initiatives to combat climate change. Our focus areas includes Carbon emissions, Water conservation etc. In line with this we have a total installed capacity of 460 kWp solar power plant. In addition to this we have invested in Green building, rain water harvesting etc. We have also installed Organic composting unit at Victoria Memorial Kolkata to covert organic waste to manure.Further details on our Strategies and initiatives is available on the following link:

http://balmerlawrie.com/pages/viewpages/24
http://balmerlawrie.com/pages/viewpages/25

Does the company identify and assess potential environmental risks? Y/N

Yes Balmer Lawrie believes in taking informed decisions when it comes to environmental risks and opportunities. In order to identify and assess potential risks we conducts Environmental impact assessment at all the manufacturing and logistics establishments.

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

No we don't have any project on Clean Development Mechanism.

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 has been active in taking initiatives such as installation of solar power plants, Introduction of energy efficient equipment's, Water recycle-reuse and development of biodegradable lubricants etc. For details on the initiatives the hyperlink is as follows:

http://balmerlawrie.com/pages/viewpages/25

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

The emissions/waste generated by the Company for Financial Year 2016-17 are within permissible limits given by CPCB/SPCB(s).

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.

As on 31 March, 2017, there is no pending show cause or legal notice received from CPCB or SPCB.

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

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 is conscious about its responsibility w.r.t. public and regulatory policy. It is a member of the following Industry associations:

- Confederation of Indian Industry
- Bengal Chambers of Commerce
- SCOPE

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

Yes the broad areas includes: Sustainable Business Principles

Principle 8: Businesses should support inclusive growth and equitable development.

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

Balmer Lawrie is committed to work towards the inclusive development of the nation. The focus areas includes:

- Health and Nutrition
- Primary Education
- Skill Development and Sustainable Livelihood
- Rehabilitation and relief post unfortunate natural disasters
- Holistic development of underprivileged community of the society.
- Swachchta Bharat Abhiyan

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

The company initiates all the activities by partnering with various NGOs and Specialised agencies. The CSR committee looks after the various projects implemented by the organization. The Various agencies, NGOs includes:

- Pragati Sangha of Dara.
- Rotary Club of Panvel.
- Victoria Memorial.
- Indian Institute of Cerebral Palsy.
- SOS Children villages of India.
- Kasba Shed and Lion Club Silvasa.

Have you done any impact assessment of your initiative?

The impact assessment for the projects undertaken by Balmer Lawrie has been carried out by Tata Institute of Social Science, Mumbai.

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

Total amount spend on CSR activities in FY 2016-17 is Rs. 412.70 Lakhs. This amount was spend on our thrust areas including:

- Health and Nutrition
- Primary Education
- Skill Development and Sustainable Livelihood
- Holistic development of underprivileged community of the society.
- Training
- Swachchta Bharat Abhiyan

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 believes in need based CSR. The projects that are initiated are based on the needs of the particular community or area. A local authority or an NGO is often involved in implementation. Which ensures the involvement of the community in the initiatives. Since the programmes are designed in consultation with the local communities. Therefore there is a sense of ownership that instils leading to a successful adoption of the community development initiative.

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

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

During the financial 2016-17, the complaints statistics is as follows :

Travel and Vacations: 324 complaints were received and 100% of them were resolved with a period of 7 days from its receipt

Grease & Lubricants: 49 complaints were received and 48 were resolved within 17 days of its receipt.

Industrial Packaging: 191 complaints were received and 37 were resolved during the reporting period. 154 are under process.

Leather chemicals: During the FY 2016-17, 37 complaints were received. 34 were satisfactorily resolved and 3 were irrelevant.

During the financial year 2016-17. 601 complaints were received. 443 were satisfactorily resolved. 155 is still under process while 3 were irrelevant.

Therefore 25.7% of customer complaints/consumer cases are pending as on the end of financial year.

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.

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

There is no case against Balmer Lawrie during last five years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

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

Consumer plays an important part in our value chain. Balmer Lawrie regularly carries out Consumer satisfaction survey for both Service and Manufacturing business. We have again planned to conduct a consumer satisfaction survey in the FY 2017-18.

ANNEXURE - 3

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
AS OF THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

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

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L15492WB1924GOI004835
ii)	Registration Date	18-02-1924
iii)	Name of the Company	Balmer Lawrie & Co. Limited
iv)	Category / Sub-Category of the Company	Union Government Company
v)	Address of the Registered office and contact details	21, Netaji Subhas Road, Kolkata-700 001, W.B. Phone-(033) 2222 5313/5329 e-mail:bhavsar.k@balmerlawrie.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Private Limited 59-C, Chowringhee Road, 3rd Floor Kolkata – 700 020 Phone: (033) 2289 0540 Telefax: (033) 2289 0539 e-mail: kolkata@linkintime.co.in

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	Logistics Infrastructure & Services	51201/52243/52109	30.84
2	Industrial Packaging (Steel Drums)	25129	30.03
3	Greases & Lubricating Oils	19201	24.50

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	Registered in England & Wales No. 2764967	Wholly Owned Foreign Subsidiary	100	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	Wholly Owned Subsidiary	100	2(87)
4	Balmer Lawrie (UAE) LLC. B 11b, Heavy Industrial Area, P.O. Box – 11818, Dubai, U.A.E.	Foreign Company	Associate	49	2(6)
5	Balmer Lawrie – Van Leer Ltd. D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Maharashtra – 400705	U99999MH1962 PLC012424	Associate	48	2(6)
6	Transafe Services Ltd. 21, Netaji Subhas Road, Kolkata-700001	U28992WB1990 PLC050028	Associate	50	2(6)
7	Avi-Oil India Private Ltd. 608, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi–110001	U23201DL1993 PTC190652	Associate	25	2(6)
8	Balmer Lawrie Hind Terminals Pvt. Ltd. (Dissolved w.e.f. 20th October, 2016) Balmer Lawrie House, 628 Anna Salai, Teynampet, Chennai, Tamil Nadu – 600018	U63000TN2011 PTC083412	Associate	50	2(6)

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

i) Category-wise Share Holding :

Sr. No.	Category of Shareholders		No of Shares held at the beginning of the year i.e. 1st April, 2016				No of Shares held at the end of the year i.e. 31st March, 2017				% 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 / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(d)	Any Other (Specify)									
	Sub Total (A)(1)		0	0	0	0.0000	0	0	0	0.0000	0.0000

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year i.e. 1st April, 2016				No of Shares held at the end of the year i.e. 31st March, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	**Foreign**									–
	(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(b) Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(c) Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(d) Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(e) Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
(B)	**Public Shareholding**									
[1]	**Institutions**									
	(a) Mutual Funds / UTI	694551	1137	695688	2.4410	1511412	4548	1515960	1.3298	-1.1112
	(b) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(c) Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(d) Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(e) Foreign Portfolio Investor	812955	0	812955	2.8524	4122225	0	4122225	3.6159	0.7635
	(f) Financial Institutions / Banks	15215	7454	22669	0.0795	39315	29816	69131	0.0606	-0.0189
	(g) Insurance Companies	2377242	50	2377292	8.3412	8680943	200	8681143	7.6149	-0.7263
	(h) Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(i) Any Other (Specify)									
	Sub Total (B)(1)	3899963	8641	3908604	13.7141	14353895	34564	14388459	12.6212	-1.0929
[2]	**Central Government/ State Government(s)/ President of India**									
	Central Government / State Government(s)	17613225	13098	17626323	61.8454	70461168	52392	70513560	61.8526	0.0072
	Sub Total (B)(2)	17613225	13098	17626323	61.8454	70461168	52392	70513560	61.8526	0.0072
[3]	**Non-Institutions**									
	(a) Individuals									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4050482	479183	4529665	15.8932	13579401	1474936	15054337	13.2053	-2.6879
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	668154	32171	700325	2.4572	6683803	467124	7150927	6.2726	3.8154
	(b) NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(c) Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0

Sr. No.		Category of Shareholders	No of Shares held at the beginning of the year i.e. 1st April, 2016				No of Shares held at the end of the year i.e. 31st March, 2017				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	(e)	Any Other (Specify)									
		Trusts	22654	0	22654	0.0795	101902	0	101902	0.0894	0.0099
		Hindu Undivided Family	271864	0	271864	0.9539	1147434	0	1147434	1.0065	0.0526
		Non Resident Indians (Non Repat)	172018	0	172018	0.6036	563204	0	563204	0.4940	-0.1096
		Non Resident Indians (Repat)	186706	22	186728	0.6552	1092784	88	1092872	0.9586	0.3034
		Clearing Member	77860	0	77860	0.2732	234206	0	234206	0.2054	-0.0678
		Bodies Corporate	996673	7927	1004600	3.5248	3700404	55259	3755663	3.2944	-0.2304
	Sub Total (B)(3)		**6446411**	**519303**	**6965714**	**24.4406**	**27103138**	**1997407**	**29100545**	**25.5262**	**1.0856**
	Total Public Shareholding(B)= (B)(1)+(B)(2)+(B)(3)		**27959599**	**541042**	**28500641**	**100.000**	**111918201**	**2084363**	**114002564**	**100.000**	**0.0000**
	Total (A)+(B)		27959599	541042	28500641	100.000	111918201	2084363	114002564	100.000	0.0000
(C)	**Non Promoter - Non Public**										
	Custodian/DR Holder		0	0	0	0.0000	0	0	0	0.0000	0.0000
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)		0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)		**27959599**	**541042**	**28500641**	**100.0000**	**111918201**	**2084363**	**114002564**	**100.0000**	

ii) Shareholding of Promoters :

Sl No	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2016			Shareholding at the end of the year i.e. 31st March, 2017			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

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

Sl No	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2016		Cumulative Shareholding during the year, i.e. 31st March, 2017		% change in shareholding during the year
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1.	N. A.	NIL	NIL	NIL	NIL	NIL
	At the beginning of the year	NIL	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) :					
	At the End of the year					

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

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. 1st April, 2016		Transactions during the year		Cumulative Shareholding at the end of the year i.e. 31st March, 2017	
		No.of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No of Shares	% of total shares of the Company
1	**BALMER LAWRIE INVESTMENTS LIMITED**	17613225	15.4498			17613225	15.4498
	Bonus			10 Jan 2017	52839675	70452900	61.7994
	AT THE END OF THE YEAR					70452900	61.7994
2	**GENERAL INSURANCE CORPORATION OF INDIA**	723142	0.6343			723142	0.6343
	Bonus			10 Jan 2017	2169426	2892568	2.5373
	AT THE END OF THE YEAR					2892568	2.5373
3	**THE NEW INDIA ASSURANCE COMPANY LIMITED**	819193	0.7186			819193	0.7186
	Transfer			26 Aug 2016	(5747)	813446	0.7135
	Transfer			02 Sep 2016	(12157)	801289	0.7029
	Transfer			16 Dec 2016	(16000)	785289	0.6888
	Transfer			23 Dec 2016	(4000)	781289	0.6853
	Transfer			06 Jan 2017	(59573)	721716	0.6331
	Bonus			10 Jan 2017	2246371	2968087	2.6035
	Transfer			20 Jan 2017	(102752)	2865335	2.5134
	AT THE END OF THE YEAR					2865335	2.5134
4	**NATIONAL INSURANCE COMPANY LTD**	481155	0.4221			481155	0.4221
	Transfer			08 Apr 2016	20853	502008	0.4403
	Transfer			08 Jul 2016	(41190)	460818	0.4042
	Transfer			15 Jul 2016	(17433)	443385	0.3889
	Transfer			22 Jul 2016	(21377)	422008	0.3702
	Transfer			29 Jul 2016	(20000)	402008	0.3526
	Transfer			05 Aug 2016	(9800)	392208	0.3440
	Transfer			12 Aug 2016	(15200)	377008	0.3307
	Bonus			10 Jan 2017	1131024	1508032	1.3228
	AT THE END OF THE YEAR					1508032	1.3228
5	**INDIAN SYNTANS INVESTMENTS (P) LTD**	356180	0.3124			356180	0.3124
	Bonus			10 Jan 2017	1068540	1424720	1.2497
	AT THE END OF THE YEAR					1424720	1.2497
6	**LIFE INSURANCE CORPORATION OF INDIA**	353752	0.3103			353752	0.3103
	Bonus			10 Jan 2017	1061256	1415008	1.2412
	AT THE END OF THE YEAR					1415008	1.2412

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. 1st April, 2016		Transactions during the year		Cumulative Shareholding at the end of the year i.e. 31st March, 2017	
		No.of Shares	% of total shares of the Company	Date of Transaction	No. of Shares	No of Shares	% of total shares of the Company
7	**UTI - CHILDRENS CAREER BALANCED PLAN**	559953	0.4912			559953	0.4912
	Transfer			10 Jun 2016	(10000)	549953	0.4824
	Transfer			23 Sep 2016	9707	559660	0.4909
	Transfer			30 Sep 2016	10000	569660	0.4997
	Transfer			25 Nov 2016	(10000)	559660	0.4909
	Transfer			02 Dec 2016	(12500)	547160	0.4800
	Transfer			09 Dec 2016	(17257)	529903	0.4648
	Transfer			16 Dec 2016	(45466)	484437	0.4249
	Transfer			30 Dec 2016	(26525)	457912	0.4017
	Transfer			06 Jan 2017	(137446)	320466	0.2811
	Bonus			10 Jan 2017	1306375	1626841	1.4270
	Transfer			20 Jan 2017	(87229)	1539612	1.3505
	Transfer			27 Jan 2017	(20000)	1519612	1.3330
	Transfer			03 Feb 2017	(50000)	1469612	1.2891
	Transfer			10 Feb 2017	(80000)	1389612	1.2189
	Transfer			24 Feb 2017	(98000)	1291612	1.1330
	AT THE END OF THE YEAR					1291612	1.1330
8	**DIMENSIONAL EMERGING MARKETS VALUE FUND**	232350	0.2038			232350	0.2038
	Transfer			22 Jul 2016	(2879)	229471	0.2013
	Transfer			04 Nov 2016	(2611)	226860	0.1990
	Bonus			10 Jan 2017	680580	907440	0.7960
	AT THE END OF THE YEAR					907440	0.7960
9	**THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA INVESTMENT TRUST COMPANY**	117875	0.1034			117875	0.1034
	Transfer			15 Jul 2016	(5173)	112702	0.0989
	Bonus			10 Jan 2017	338106	450808	0.3954
	Transfer			24 Mar 2017	2967	453775	0.3980
	AT THE END OF THE YEAR					453775	0.3980
10	**VIKRAM SWARUP**	112500	0.0987			112500	0.0987
	Bonus			10 Jan 2017	337500	450000	0.3947
	AT THE END OF THE YEAR					450000	0.3947

Note :
1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 11,40,02,564 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	Shareholder's Name For each of the Directors and KMP	Shareholding at the beginning of the year i.e. 1st April, 2016		Cumulative shareholding during the year	
		No. of Shares Held	% 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	110	0.000	110	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) :	330 Allotment of Bonus shares on 27th December, 2016	0.000	330	0.00
	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 ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year • Addition • Reduction	Short term loans taken from banks to meet working capital requirements during the year have all been repaid within the year.	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

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 Rs.
		Shri Prabal Basu (01/04/16-31/03/17) Rs.	Ms. Manjusha Bhatnagar (01/04/16 - 31/03/17) Rs.	Shri D. Sothi Selvam (01/04/16 - 31/03/17) Rs.	Shri Kalyan Swaminathan (01/04/16 - 31/03/17) Rs.	Shri Shyam Sundar Khuntia (01/04/16 - 31/03/17) Rs.	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,64,544	38,84,868	43,42,665	32,56,915	26,96,176	1,85,45,169
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	5,31,439	7,48,085	5,28,395	1,37,734	92,712	20,38,365
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–	–	–	–
2.	Stock Option	–	–	–	–	–	–
3.	Sweat Equity	–	–	–	–	–	–
4.	Commission - as % of profit - others, specify…	–	–	–	–	–	–
5.	Others, please specify	–	–	–	–	–	–
	Total (A)	**48,95,983**	**46,32,953**	**48,71,060**	**33,94,649**	**27,88,888**	**2,05,83,534**
	Ceiling as per the Act	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	5% of Net profits	11% of Net profits

B. Remuneration to Other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Ms. Atreyee Borooah Thekedath (Independent Director) (13/02/17 – 31/03/2017) Rs.	**Ms. Indrani Kaushal (Government Nominee Director) (27/12/16 – 31/03/2017) Rs.**	**Rs.**
	3. Independent Directors • Fee for attending Board/ Committee meetings • Commission • Others, please specify	90,000 – –	– – –	90,000
	Total (1)	90,000		90,000
	4. Other Non-Executive Directors • Fee for attending Board/ Committee meetings • Commission • Others, please specify	– – –	– – –	– – –
	Total (2)		–	–
	Total (B) = (1+2)	90,000	–	–
	Total Managerial Remuneration	90,000	–	90,000
	Overall ceiling as per the Act			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	**Company Secretary**	**CFO**	
			Ms. Kavita Bhavsar (01/04/16 – 31/03/2017)	**Shri Shyam Sundar Khuntia (01/04/16 – 31/03/2017)**	**Rs.**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	For the year 2016-17 Shri Prabal Basu was CEO. However, he did not receive any additional remuneration for acting as a CEO. –	25,55,927 1,65,047 –	Shri Shyam Sundar Khuntia did not receive any additional remuneration for acting as CFO during the financial year 2016-17. –	25,55,927 1,65,047 –
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission - as % of profit - others, specify…	–	–	–	–
5.	Others, please specify	–	–	–	–
	Total		27,20,974	–	27,20,974

VII. PENALTIES I PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

ANNEXURE - 4

REPORT ON CORPORATE GOVERNANCE

[Forming part of the Board's Report for the year 2016-17]

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 consists of seven (7) Directors out of which five (5) are Functional / Executive / Whole-time Directors, one (1) Non-executive Government Nominee Director and one (1) Independent Director. Out of the seven (7) Directors mentioned above, the Board has three (3) Women Directors.

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 numbers 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 by the MoPNG. He was further appointed by the members at the 96th Annual General Meeting 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.

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 has further completed one year Executive Program in General Management from the Sloan School of Management, MIT, USA. He has a working experience of 31 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.

Ms. Manjusha Bhatnagar (DIN 07059799)
Director (Human Resource & Corporate Affairs)

Ms. Manjusha Bhatnagar was appointed as an Additional, Whole-time Director on 2nd January, 2015 based on the direction by the MoPNG and she was further appointed at the 98th AGM of the Company held on 22nd September, 2015.

Ms. Bhatnagar has a working experience of about 37 years during which she has developed expertise in functional areas of talent acquisition and retention, human capital management and compensation, policy making & IR, negotiations and finalization of long term settlements, audit of HR activities and long term planning, performance & rewards management, HR maintenance & employee welfare, day to day HR affairs including industrial relations & labour matters and Learning & Development.

Shri D. Sothi Selvam (DIN 07038156)
Director (Manufacturing Businesses)

Shri D. Sothi Selvam, Director (Manufacturing Businesses) is a Chemical Engineering Graduate with MBA in Marketing, besides holding a PG Diploma in Journalism & Mass Communication. He spearheads the Strategic Business Units (SBUs) – Greases & Lubricants, Industrial Packaging, Leather Chemicals, Refinery & Oil Field Services and the Engineering & Projects division of the Company.

Shri Selvam is a Core Petroleum Downstream Professional with more than three decades of National and International experience in Indian Oil Corporation Ltd. and its subsidiary Lanka IOC PLC in Strategic Leadership Roles such as Plant Head, State Head, Regional Head and Country Head besides functioning as Director for three years in the Board of Ceylon Petroleum Storage Terminals Ltd., Sri Lanka.

He has proven expertise in Sales & Marketing, Business Process Re-engineering, Business Development, Technical Services, Supply Chain & Distribution Management, Brand Management, Operation & Maintenance of Petroleum Storage Facilities & Pipe Lines, Project Management & Execution, Operation of Manufacturing Plants & Pipeline Infrastructure, HSE, Operational Excellence, Human Resource Management, Research & Development and Imports & Exports.

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. He was further appointed at the 98th AGM of the Company held on 22nd September, 2015.

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 34 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 and assumed office as Director (Finance) according to the direction of the MoPNG and was accordingly appointed as an Additional Director by the Board with effect from 28th March, 2016. Further, he was appointed as the Chief Financial Officer of the Company with effect from 31st March, 2016. Shri Khuntia has been appointed as Director (Finance) at the 99th AGM of the Company held on 22nd September, 2016.

Shri Khuntia is a Chartered Accountant and Cost Accountant with over 31 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. Indrani Kaushal (DIN 02091078)
Government Nominee Director

Ms. Indrani Kaushal was appointed as the Government Nominee Director on the Board of the Company under Section 161 of the Companies Act, 2013, on 27th December, 2016 based on direction received from MoPNG. She completed Masters in Governance and Development from UK Global Think Tank – The Institute of Development Studies (IDS) in 2013 besides having a Masters from the renowned Delhi School of Economics.

Ms. Kaushal is presently posted as Economic Adviser in the MoPNG and is a member of the Indian Economic Service, 1995 batch. She has held various positions in key economic Ministries under Union Government including Ministry of Textiles and Ministry of Steel. She was earlier posted as Additional Economic Adviser/ Director, Ministry of Telecommunications, facilitating spectacular growth in tele-density in the country and sparking the next revolution in digital communications. She has also functioned as Deputy Director in the Department of Consumer Affairs, which deals with the Consumer Protection Act and Price Monitoring of essential commodities. She was Assistant Director, Department of Economic Affairs (External Finance Division) in the Government of India. She has had experience at the middle levels in other sectors as well, including Agriculture and Commerce.

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.

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

Ms. Borooah has a working experience of about 19 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 alumna of the prestigious Goldman Sachs 10,000 Women Program for Women Entrepreneurs and the coveted Fortune / U.S. State Department Global Women's Mentoring Partnership Program.

The composition of Board of Directors during the Financial year 2016-17 and the particulars as to the directorship of the Directors, who are currently on the Board, in other companies and their membership in various Board level Committees as per Schedule V(C)(2) of SEBI (LODR) as on 31st March, 2017 are enumerated as follows :

Name, designation and category of the Director	Total No of Directorship in other Indian Companies	Number of memberships in Audit/ Stakeholder's Relationship Committee(s) including this listed entity (Refer Regulation 26(1) of SEBI LODR)	No of post of Chairperson in Audit/ Stakeholders' Relationship Committee held in listed entities including this listed entity (Refer Regulation 26(1) of SEBI LODR)
Shri Prabal Basu - Chairman & Managing Director, Executive Director	3	2	0
Ms. Manjusha Bhatnagar - Director (Human Resource & Corporate Affairs), Executive Director	1	0	0
Shri D. Sothi Selvam – Director (Manufacturing Businesses), Executive Director	3	2	0
Shri Kalyan Swaminathan - Director (Service Businesses), Executive Director	1	2	0
Shri Shyam Sundar Khuntia - Director (Finance), Executive Director and Chief Financial Officer	3	5	1
Ms. Indrani Kaushal[@] – Government Nominee Director, Non-Executive Director	1	2	1
Ms Atreyee Borooah Thekedath[@] - Independent Director, Non-Executive Director	4	2	1

As per Regulation 26(1)(b) of the SEBI (LODR), chairmanship/membership of the Audit Committee and the Stakeholders' Relationship Committee have only been shown above.

[@] Ms. Indrani Kaushal was appointed as Government Nominee Director on 27th December, 2016 and Ms. Atreyee Borooah Thekedath was appointed as the Independent Director on 13th February, 2017. Shri Prashant S. Lokhande and Shri Alok Chandra ceased to be Directors of the Company at the close of business hours on 10th February, 2017.

Brief profile of the Directors of the Company retiring by rotation and Additional Directors seeking appointment

The brief profile of Directors of the Company retiring by rotation and Additional Director seeking appointment 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 2016-17 is shown below :

Name of the Director	Board Meetings held during 2016-17								Attendance at last AGM held on 22.09.2016
	6th April 2016	26th May 2016	27th June 2016	10th August 2016	10th November 2016	27th December 2016	13th February 2017	28th March 2017	
Shri Prabal Basu	√	√	√	√	√	√	√	√	YES
Ms. Manjusha Bhatnagar	√	√	√	√	√	√	√	√	YES
Shri D Sothi Selvam	√	√	√	√	√	√	√	√	YES
Shri Kalyan Swaminathan	√	√	√	√	√	√	√	√	YES
Shri Shyam Sundar Khuntia	√	√	√	√	√	√	√	√	YES
Ms. Indrani Kaushal@	NA	NA	NA	NA	NA	√	X	√	NA
Ms. Atreyee Borooah Thekedath *	NA	NA	NA	NA	NA	NA	√	√	NA
Shri Alok Chandra#	√	√	√	√	X	X	NA	NA	NO
Shri P S Lokhande $	√	X	X	X	X	X	NA	NA	NO

Notes :

@ *Ms. Indrani Kaushal has been appointed as a Government Nominee Director of the Company on 27th December, 2016.*

* *Ms. Atreyee Borooah Thekedath has been appointed as the Independent Director on 13th February, 2017.*

Shri Alok Chandra ceased to hold office as a Government Nominee Director of the Company at the close of business hours on 10th February, 2017.

$ *Shri Prashant S. Lokhande ceased to hold office as a Government Nominee Director of the Company at the close of business hours on 10th February, 2017.*

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 Director	Name of the Company in which the shares or convertible instrument is held as on 31-03-2017	Number of shares and convertible instruments	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%**

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

http://www.balmerlawrie.com/app/webroot/uploads/Familiarization_programme_of_the_Independent_Director.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, 2017, consists of five members out of which three are Whole-time Directors, one Government Nominee Director and one Independent Director. The Independent Director heads the Committee as its Chairperson and the Committee has the following members :

Ms. Atreyee Borooah Thekedath, Independent Director-Chairperson

Ms. Indrani Kaushal, Government Nominee Director-Member

Shri Kalyan Swaminathan, Director (Service Businesses)-Member

Shri Shyam Sundar Khuntia, Director (Finance) and CFO-Member

Shri D. Sothi Selvam, Director (Manufacturing Businesses)-Member

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

The Audit Committee met 6 times during the financial year 2016-17. The details regarding the attendance of the Members at the meetings are enumerated as follows :

Name of the Member	Audit Committee Meetings held during the Financial year 2016-17					
	6th April 2016	26th May 2016	10th August 2016	10th November 2016	13th February 2017	28th March 2017
Ms. Atreyee Borooah Thekedath#	NA	NA	NA	NA	√	√
Ms. Indrani Kaushal$	NA	NA	NA	NA	X	√
Shri Alok Chandra@	√	√	√	X	NA	NA
Shri Prashant S Lokhande%	√	X	X	X	NA	NA
Shri K Swaminathan	√	√	√	√	√	√
Shri Shyam Sundar Khuntia	√	√	√	√	√	√
Shri D Sothi Selvam**	√	√	√	√	√	√

\# *Ms. Atreyee Borooah Thekedath (Independent Director) became member and Chairperson of the Committee on 13th February, 2017.*

$ *Ms. Indrani Kaushal (Government Nominee Director) became member on 27th December, 2016.*

@ *Shri Alok Chandra ceased to be Director of the Company at the close of business hours on 10th February, 2017 and consequently ceased to be the member of the Audit Committee.*

% *Shri Prashant S. Lokhande ceased to be Director of the Company at the close of business hours on 10th February, 2017 and consequently ceased to be a Member of the Audit Committee.*

** *Shri D Sothi Selvam, Director (Manufacturing Businesses) became member of the Committee on 26th May, 2016.*

Nomination & Remuneration Committee

The Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the Whole-time Directors of the Company are Presidential appointees and their remuneration is fixed 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 to look into matters relating to managerial remuneration and such other issues relating to compensation that may be laid down or provided for under the law, SEBI (LODR) and the applicable Government Guidelines. The Committee was renamed as "Nomination & Remuneration Committee" and was reconstituted 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, 2017, the Committee consists of one Government Nominee Director and one Independent Director being the only Non-executive Directors in the Company. Accordingly, Ms. Atreyee Borooah Thekedath had been appointed as the Chairperson and Ms. Indrani Kaushal had been appointed as a Member of the Nomination and Remuneration Committee. During the Financial year 2016-17, the Committee held three meetings on 27th June, 2016, 13th February, 2017 and 28th March, 2017.

Name of the Member	Nomination and Remuneration Committee Meetings held during the Financial year 2016-17		
	27th June 2016	13th February 2017	28th March 2017
Ms. Atreyee Borooah Thekedath#	NA	√	√
Ms. Indrani Kaushal$	NA	X	√
Shri Alok Chandra@	√	NA	NA
Shri Prashant S Lokhande%	√	NA	NA
Shri Prabal Basu*	NA	√	√

\# *Ms. Atreyee Borooah Thekedath (Independent Director) became member and Chairperson of the Committee on 13th February, 2017.*

$ *Ms. Indrani Kaushal (Government Nominee Director) became member of the Committee on 27th December, 2016.*

@ *Shri Alok Chandra ceased to be Director of the Company at the close of business hours on 10th February, 2017 and consequently ceased to be the member of the Nomination and Remuneration Committee from the said date.*

% *Shri Prashant S. Lokhande ceased to be Director of the Company at the close of business hours on 10th February, 2017 and consequently ceased to be a Member of the Nomination and Remuneration Committee from the said date.*

* *Shri Prabal Basu was appointed as Member of the Committee on 13th February, 2017 and ceased to be a member of the same vide Board Meeting on 28th March, 2017 held after the Meeting of Nomination and Remuneration Committee.*

Performance evaluation criteria of Independent Director 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 determine 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 the Directors during Financial year 2016-17 are enumerated hereunder:

(All figures in Rs.)

Name of Director	Salaries and allowances	Contribution to provident fund	Contribution to gratuity fund	Other benefits and perquisites	Sitting fees	Total Remune-ration	Terms of appointment
Shri Prabal Basu	39,08,480	409966	46098	5,31,439	–	**48,95,983**	C-31024/3/2013-CA (Part I) / FTS : 39921 dated 23rd October, 2015 C-31024/3/2013-CA (Part III)/FTS : 26993 dated 18th May, 2015
Ms. Manjusha Bhatnagar	32,94,054	5,77,110	13,704	7,48,085	–	**46,32,953**	C-31024/4/2012-CA (Part iii)/FTS : 36712 dt 27th April, 2017 C-31024/4/2012-CA (Part-iv)/FTS : 40800 dt 29th April, 2016 C-31024/4/2012-CA/ FTS :19569 dt 19th December, 2014
Shri D. Sothi Selvam	37,39,259	5,89,616	13,790	5,28,395	–	**48,71,060**	C-31024/7/ 2012-CA(Part-1)/ FTS : 36715 dt 4th August, 2016 C-31024/7/ 2012-CA/ FTS:23176 dt 09th October, 2014
Shri Kalyan Swaminathan	28,65,023	3,45,672	46,220	1,37,734	–	**33,94,649**	C-31024/2/2013 (Part I): CA/FTS:39922 dt 21st March, 2017 C-31024/2/2013-CA / FTS:26994 dated 18th May, 2015
Shri Shyam Sundar Khuntia	22,95,216	3,94,260	6,700	92,712	–	**27,88,888**	C-31024/04/ 2015-CA/ FTS: 39711 dated 22nd March, 2016
Ms. Indrani Kaushal	–	–	–	–	–	–	C-31033/1/2016-CA/ FTS:42979 dt 19th December, 2016
Ms. Atreyee Borooah Thekedath	–	–	–	–	90,000	**90,000**	C-31034/1/2016-CA/ FTS:46118 dt 31st January, 2017

Note : *There was no expenditure debited in the books of accounts, which represent personal expenditure of the Board of Directors and Top Management.*

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee reviews and monitors the grievances of shareholders and investors. As on 31st March, 2017, the Committee consists of four members, namely, Ms. Indrani Kaushal (Government Nominee Director) as Chairperson, Ms. Atreyee Borooah Thekedath (Independent Director), Shri Kalyan Swaminathan, Director (Service Businesses) and Shri Shyam Sundar Khuntia, Director (Finance) as members. 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 01/04/2016	NIL
Received during the year	51
Disposed of during the year*	50
Remaining unresolved at the end of the year as on 31/03/2017	1
Complaints not solved to the satisfaction of shareholder*	NIL

** 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
22nd September 2016 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019	99th Annual General Meeting	Yes, 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 Article of Association relating to the increase in Authorised Share Capital.
22nd September 2015 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019	98th Annual General Meeting	NIL
25th September 2014 at 10.30 a.m.	G. D. Birla Sabhagar 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019	97th Annual General Meeting	Yes, Two Special Resolutions were passed at the AGM. a. For acquisition of a land from Transafe Services Limited situated at Dharuhera under Section 188 of the Companies Act, 2013. b. Agreement between the Company and Balmer Lawrie Investments Ltd. for provision of various services rendered by the Company under Section 188 of the Companies Act, 2013.

Special Resolutions passed in last year through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2016-17.

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 2016-17, 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.
- The quarterly results (un-audited) were submitted to the Stock Exchanges within forty five days from the end of each quarter. 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 2016-17 were published in Business Standard (English), Business Standard (Hindi), Aajkal (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 www.balmerlawrie.com/pages/financialresultsinvestor.
- The Company has an exclusive e-mail ID viz, blsharegrievance@balmerlawrie.com to enable the investors 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 :

Link Intime India Pvt. Ltd. 59-C, Chowringhee Road, 3rd Floor, Kolkata – 700 020 Phone : (033) 2289 0540 Telefax : (033) 2289 0539 E-mail : kolkata@linkintime.co.in	**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

General Shareholders' Information

Date & Time	Thursday, 14th September, 2017
Venue	G D Birla Sabhagar, 29, Ashutosh Chowdhury Avenue, Kolkata – 700 019
Financial year	1st April, 2016 to 31st March, 2017.
Book Closure Dates	Friday 8th September, 2017 to Thursday 14th September, 2017

Dividend Payment Date

Upon declaration at the ensuing 100th Annual General Meeting scheduled on 14th September, 2017, dividend shall be paid to those shareholders (holding shares as on 7th September, 2017) End of Day on or after 26th September, 2017.

Dividend History & Amount of Unclaimed Dividend to be transferred to the 'Investors' Education and Protection Fund'

Date on which, dividend declared / Financial year	Total amount of Dividend (in Rs.)	Amount of unclaimed dividend as on 31st March, 2017 (In Rs.)	% of unclaimed dividend to total dividend	Due date of transfer to* the "Investors' Education and Protection Fund"	Type of Dividend
24th September, 2010 2009-10	37,45,79,863.00	26,96,198.00	0.72	31st October 2017	Final
23rd September, 2011 2010-11	42,34,38,106.00	30,78,790.00	0.73	30th October 2018	Final
26th September, 2012 2011-12	45,60,10,268.00	33,02,852.00	0.72	2nd November 2019	Final
24th September, 2013 2012-13	50,16,11,281.60	36,31,672.00	0.72	31st October 2020	Final
25th September, 2014 2013-14	51,30,11,538.00	33,30,810.00	0.65	1st November 2021	Final
22nd September, 2015 2014-15	51,30,11,538.00	35,37,414.00	0.69	29th October 2022	Final
22nd September 2016 2015-16	57,00,12,820.00	36,08,040.00	0.63	29th October 2023	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 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, i.e., namely Link Intime India Pvt. Ltd. (where the shares are being held in physical form) or to their Depository Participant (where the shares are being held in dematerialized mode) on or before 7th September, 2017, (end of day).

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

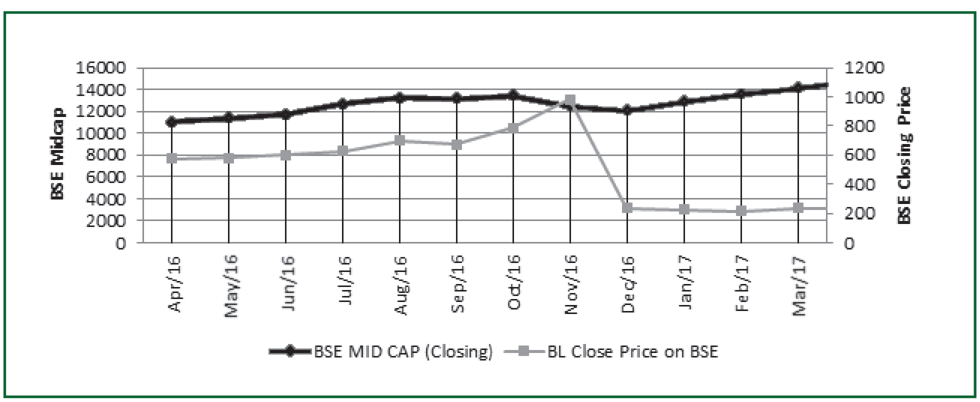
Stock Exchanges where the equity shares of the Company are listed and other related information

Name and address of the Stock Exchanges	Stock code	Confirmation about payment of Annual Listing Fee for 2016-17 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 2016 to March 2017)

	National Stock Exchange of India Limited		BSE Ltd.	
Month	**High (Rs.)**	**Low (Rs.)**	**High (Rs.)**	**Low (Rs.)**
April-16	606.20	561.55	605.05	561.00
May-16	592.90	560.95	593.35	562.70
June-16	618.00	570.65	618.00	573.00
July-16	634.00	589.00	633.95	590.00
August-16	716.25	614.10	717.00	613.05
September-16	747.20	650.65	748.00	652.00
October-16	791.30	671.20	793.00	667.05
November-16	994.00	702.10	993.95	685.00
December-16	1147.00	227.50	1146.90	228.00
January-17	246.90	223.10	246.70	223.40
February-17	226.00	202.00	225.95	201.00
March-17	245.70	207.70	246.50	208.05

Market Price of the Equity Shares of the Company vis-a-vis the BSE MIDCAP



Note : The drop in the Market price of share of the Company in December, 2016 is due to issue of Bonus shares by the Company in the ratio of 3 new shares for every share held in the Company.

Registrar & Share Transfer Agent

The share registry functions, in both physical and de-mat segments are handled by a single common agency, namely, Link Intime India Pvt. Ltd. ('LIIPL'). LIIPL is registered with SEBI and having its corporate office at 59-C, Chowringhee Road, 3rd Floor, Kolkata – 700 020, Phone: (033) 2289 0540, Telefax: (033) 2289 0539, E-mail: kolkata@linkintime.co.in

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. Since the Committee needs to meet at frequent intervals, it 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, 2017 on the basis of category of Shareholders :

Sl. No.	Category & Name of the Shareholders	No. of share Holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares under-lying Depo-sitory Receipts	Total no. shares held (VII) = (IV)+(V)+(VI)	Share-holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (VIII)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting Rights (X)			Total as a % of Total Voting rights
								Class eg: X	Class eg:Y	Total	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)				
A.	**Shareholding pattern of the Promoter and Promoter Group**										
(1)	Indian	0	0	0	0	0	0	0	0	0	0
(2)	Foreign	0	0	0	0	0	0	0	0	0	0
B.	**Statement showing shareholding pattern of the Public shareholder**										
(1)	Institutions										
(a)	Mutual Funds	8	1515960	–	–	1515960	1.33	1515960	–	1515960	1.33
(b)	Foreign Portfolio Investors	58	4122225	–	–	4122225	3.62	4122225	–	4122225	3.62
(c)	Financial Institutions/ Banks	13	69131	–	–	69131	0.06	69131	–	69131	0.06
(d)	Insurance Companies	5	8681143	–	–	8681143	7.61	8681143	–	8681143	7.61
	Sub-Total (B)(1)	**84**	**14388459**	–	–	**14388459**	**12.62**	**14388459**	–	**14388459**	**12.62**
(2)	Central Government/ State Government(s)/ President of India*	4	70513560	–	–	70513560	61.85	70513560	–	70513560	61.85
	Sub-Total (B)(2)	**4**	**70513560**	–	–	**70513560**	**61.85**	**70513560**	–	**70513560**	**61.85**
(3)	Non-institutions										
(a(i))	Individuals – i. Individual share-holders holding nominal share capital up to Rs. 2 lakhs.	36255	17715196	–	–	17715196	15.54	17715196	–	17715196	15.54
(a(ii))	Individuals - ii. Individual share-holders holding nominal share capital in excess of Rs. 2 lakhs.	98	4490068	–	–	4490068	3.94	4490068	–	4490068	3.94
(b)	Any Other	2773	6895281	–	–	6895281	6.05	6895281	–	6895281	6.05
	Sub-Total (B)(3)	**39126**	**29100545**	–	–	**29100545**	**25.53**	**29100545**	–	**29100545**	**25.53**
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**39214**	**114002564**	–	–	**114002564**	**100**	**114002564**	–	**114002564**	**100**
C.	**Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**										
	Total (A+B+C)	**39214**	**114002564**	–	–	**114002564**	**100**	**114002564**	–	**114002564**	**100**

**Includes Balmer Lawrie Investments Ltd., a Government Company, which holds 7,04,52,900 equity shares i.e. about 61.80% of the total paid-up equity share capital of the Company. Balmer Lawrie Investments Ltd. is the holding company of Balmer Lawrie & Co. Ltd.*

Distribution of Shareholding on the basis of number of Equity shares held as on 31st March, 2017:

Balmer Lawrie & Co. Ltd.					
Distribution of Shareholding (Shares) Report Type : ALL (NSDL+CDSL+Physical)					
SL. No.	Number of Shares	Number of Shareholders	% of Total Shareholders	No. of Shares	% of Total Share Capital
1	1 to 500	31351	79.9485	3998233	3.5071
2	501 to 1000	3542	9.0325	2649780	2.3243
3	1001 to 2000	1990	5.0747	2930083	2.5702
4	2001 to 3000	687	1.7519	1709371	1.4994
5	3001 to 4000	496	1.2649	1799837	1.5788
6	4001 to 5000	217	0.5534	988616	0.8672
7	5001 to10000	484	1.2343	3414732	2.9953
8	10001 & above	447	1.1399	96511912	84.6577
	TOTAL :	**39214**	**100.0000**	**114002564**	**100.0000**

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, in both the Depositories in India, i.e., National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

As of 31st March 2017, 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, 2017

Type of shares	%
Physical	1.83
Dematerialized	98.17
TOTAL :	**100.00**

Your Company, has paid the annual custody fee for the financial year 2016-17 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 and Office Locations :

Name of the business	Location	Location
Greases & Lubricants	**Manufacturing Units:** Chennai Kolkata Silvassa **Application Research Laboratory:** Kolkata	**Marketing Offices :** Bengaluru Chandigarh Chennai Gurugram Kolkata Mumbai New Delhi Pune Raipur Secunderabad Vadodara
Industrial Packaging	**Manufacturing Units:** Chennai Kolkata Silvassa Chittoor Asaoti Navi Mumbai	**SBU Office:** Mumbai **Sales Office:** Vadodara Gurugram
Leather Chemicals	**Manufacturing units:** Chennai **Technical Service Centers:** Ambur- Vaniyambadi Chennai Kanpur Kolkata Ranipet	**Marketing office:** Chennai **Product Development Centre:** Chennai
Logistics	Ahmedabad Bengaluru Chennai Coimbatore Goa Guntur Hyderabad Indore Kanpur Karur	Kochi Kolkata Ludhiana Mumbai New Delhi Pune Rai Thiruvananthapuram Tuticorin Visakhapatnam
Refinery & Oilfield Services	Kolkata	

Travel & Vacations	Ahmedabad Bengaluru Bhubaneswar Chandigarh Chennai Coimbatore Gurugram Guwahati Hyderabad Indore Kochi	Kolkata Lucknow Mumbai Nagpur New Delhi Port Blair Pune Thiruvananthapuram Vadodara Visakhapatnam

Disclosures

a) Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of listed entity at large.

There were no materially significant Related Party Transactions. None of the RPT had any conflict with interests of the Company.

All the RPT have been detailed in Note No. 40.20 of the Financial Statement. The Company has formulated a policy on dealing with RPT and the same has been uploaded on the website of the Company
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 have affirmed compliance to Code of Conduct as per Regulation 26(3) of the SEBI (LODR). The Company has a Code of Conduct for its Directors and Senior Management Personnel, which is in operation since 2006. The Code had been reviewed and revised by the Board in the financial year 2011-12. Declaration by the CEO, i.e., Chairman & Managing Director to this effect has been set out in the Annual Report.

f) The Company has, with effect from 27th May, 2015, introduced "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to Regulate, Monitor and Report Trading by Insider" in accordance with SEBI (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 to this report.

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, 2017.

j) The Company has instituted, a Risk Management Policy making the Executive Management accountable to assess risks and minimize the impact of risk as a continuing process as per Regulation 21 of the SEBI (LODR). The said policy is posted on the Company's website viz

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

k) Web link where policy for determining 'material subsidiaries' is disclosed:

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

l) 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.

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
2016-17 - 13.06%
2015-16 - 13.61%

(b) Finance expense as % of Total expenses
2016-17 - 0.28%
2015-16 - 0.30%

The nominal decrease in the percentage is mainly on account of increase in turnover.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements :

All mandatory requirements of applicable provisions of the SEBI (LODR) have been complied with except for appointment of required number of Independent Directors and other allied matters. As far as compliance of non-mandatory requirements are concerned, the Company has not adopted any non-mandatory requirement except that Internal Auditor of the Company reports to the Audit Committee. The applicable Non Mandatory requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

Confirmation of compliance as per SEBI (LODR) :

It is hereby confirmed that except as stated above, the Company has complied with the requirements under Regulations 17 to 27 and Regulation 46 of the SEBI LODR. Further, the Statutory Auditors' certificate, certifying that the Company has complied with the conditions of Corporate Governance, is annexed to the Boards' Report as "Annexure 5".

For and on behalf of the Board
Balmer Lawrie & Co. Ltd.

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) and CFO

Date: 27th July, 2017

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 of Directors 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, 2017.

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

Place : Kolkata
Date : 29th May, 2017

Prabal Basu
Chairman & Managing Director

ANNEXURE - 5

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, 2017 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 Companys' Management. Our examination is limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the company and subject to :

i) Regulation 17(1)(b) of SEBI (LODR) Regulation, 2015 and Clause 3.1.4 of DPE Guidelines require that in case the Chairman is an Executive Director at least half of the Board should comprise of Independent Director. However during the Financial Year (from 1st April, 2016 to 31st March, 2017) there was only one Independent Director on the Board of the Company.

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, 2016 to 31st March, 2017) there was only one Independent Director on the Audit Committee of the Company.

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 Financial Year (From 1st April, 2016 to 31st March,2017). There was only one Independent Director on the nomination and remuneration Committee of the Company. Further, the Committee consists of only two Director being the non Executive Directors of the Company for the time being. 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.

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, 2016 to 31st March, 2017) some of the transactions approved by the Audit Committee and Board, Post facto. This transactions appeared to be regular business transactions and are continuing/repeatative 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

Date : 14.7.2017 (B.K.Dutta)
Place : Kolkata Partner

ANNEXURE - 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2017

[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: L15492WB1924GOI004835 (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 2017, 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 2017, according to the provisions of :

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Company does not have any transactions falling under the purview of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, hence, Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, do not apply to that extent for the limited purpose of this Audit.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

   (a) The Securities and Exchange Board of India (substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Following Regulations of SEBI Act did not trigger compliance during the period under review :

(e) The Securities and Exchange Board of India (Employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The Company operates in various business segments viz, Industrial Packaging, Greases & Lubricants, Leather Chemicals, Logistics, Refinery & Oil. After prolonged and extensive discussion with the Management and its legal compliance consultant, following business specific laws were identified for compliance testing :

(a) Legal Metrology Act, 2009

(b) The Foreign Trade (Development And Regulation Act), 1992

(c) Petroleum Act, 1934 read with the Petroleum Rules, 2001

(d) The Warehousing (Development and Regulation) Act, 2007

(e) Multi Modal Transportation of Goods Act, 1993

(f) Motor Vehicles Act, 1988

We have also examined compliance with the applicable clauses of the following :

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India; and

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 following observations :

(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. 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 held at shorter notice. And a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaning full participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, where applicable.

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 initiated any major corporate action except issuance of Bonus Shares.

We further report that Public Shareholding in the Company is more than 25% and that there is no identified Promoter of the Company.

CS Siddhartha Murarka
FCS 7527; C.P. No. 15721
Partner - Siddhartha Murarka & Co.
Company Secretaries

Place: Kolkata
Date: 14th July 2017

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALMER LAWRIE & CO. LIMITED

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, 2017, 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 these 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, 2017;

(b) in the case of Statement of Profit and Loss, 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.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) 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 ₹ 92422.05 lakh as at 31st March 2017 and total revenue of ₹ 149054.33 lakh 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) The Company has provided requisite disclosure in its Ind AS financial statement as to holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company – Refer Note 40.29 to the Ind AS financial statements;

v) 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

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

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 programme 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).

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 records 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 records with a view to determine whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records for any other 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 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.11465.40 lakh have not been deposited as mentioned in Note No.40.2(a) to the accounts 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) 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

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

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 2017 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 control 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 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 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 2017, 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

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

ANNEXURE – 'C'

Direction Under Section 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 31.03.2017.

Sl. No.	Location	Area	Remarks
1.	New Beerbhoom Coal Co. Ltd. Asansol, Burdwan	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

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 31.03.2017

Reasons for write-offs	31.03.2017 (₹ in lakhs)
1. Debts	
Liquidated Damage	48.24
Difference in Excise Duty	19.05
Closed Business/Party not traceable	31.58
Adhoc Deduction by customers/Reconciliation Problem	17.72
Quality related Problem / damaged goods	42.47
Cancellation Charges, Service Tax not paid by customers	16.35
Service Charges/ No Show tickets etc	26.23
Price differential not paid by customers	17.25
Difference of VAT, CST	22.80
Demurrage Charges/Port charges/Transit Penalty	71.71
TDS receivable	0.33
Risk Purchase	1.86
TOTAL	**315.59**
2. Loans & Advances	
Detention charges/Tpt charges	29.23
TOTAL	**29.23**
3. Deposits	
Sundry Deposits written off	0.31
TOTAL	**0.31**
4. Fixed Assets	
Fixed Assets written off	0.91
TOTAL	**0.91**
5. Write off of debts/ deposits against provisions made in earlier years	**198.95**
GRAND TOTAL	**544.99**

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 2017

The preparation of financial statements of Balmer Lawrie & Co. Limited, Kolkata for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 29.05.2017.

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 2017. 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

Place: Kolkata.
Date : 26.07.2017

(Praveer Kumar)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-1,
Kolkata

BALANCE SHEET AS AT 31ST MARCH 2017

(₹ in Lakhs)

Particulars	Note No	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
ASSETS				
(1) **Non-Current Assets**				
(a) Property, Plant and Equipment	2	**38,266.78**	37,916.49	35,920.73
(b) Capital work-in-progress		**2,331.30**	725.55	429.81
(c) Investment Property	3	**61.88**	95.25	97.79
(d) Goodwill	4	**689.32**	689.32	689.32
(e) Other Intangible assets	4	**629.60**	720.63	678.01
(f) Intangible assets under development		**–**	–	17.25
(g) Financial Assets				
(i) Investments	5	**8,737.76**	5,749.86	5,740.26
(ii) Loans	6	**485.28**	507.10	333.02
(iii) Others	7	**501.09**	351.78	346.61
(h) Deferred tax Assets (net)	8	**802.10**	495.56	–
(i) Other Non Current assets	9	**3,715.16**	3,600.62	3,840.89
Total Non Current Assets		**56,220.27**	50,852.16	48,093.69
(2) **Current Assets**				
(a) Inventories	10	**15,169.64**	11,976.49	13,010.37
(b) Financial Assets				
(i) Trade Receivables	11	**28,160.55**	23,032.54	21,580.82
(ii) Cash & cash equivalents	12	**3,106.48**	4,023.01	2,782.37
(iii) Other Bank Balances	13	**47,758.91**	40,347.37	34,301.31
(iv) Loans	14	**439.11**	851.04	695.13
(v) Others	15	**20,754.91**	21,561.35	17,513.16
(c) Other Current Assets	16	**7,742.33**	6,647.38	6,820.54
Total Current Assets		**1,23,131.93**	1,08,439.18	96,703.70
Total Assets		**1,79,352.20**	1,59,291.34	1,44,797.39
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	17	**11,400.25**	2,850.06	2,850.06
(b) Other Equity	18	**1,05,198.52**	1,03,643.82	93,343.02
Total Equity		**1,16,598.77**	1,06,493.88	96,193.08
LIABILITIES				
(1) **Non-Current Liabilities**				
(a) Financial Liabilities				
(i) Borrowings		**–**	–	–
(ii) Trade Payables	19	**–**	–	0.02
(iii) Other Financial Liabilities	19	**21.85**	22.70	113.91
(b) Provisions	20	**5,579.30**	6,542.40	6,006.91
(c) Deferred Tax Liabilities (net)	8	**–**	–	144.19
(d) Other Non Current liabilities	21	**4.12**	4.22	8.03
Total Non Current Liabilities		**5,605.27**	6,569.32	6,273.06
(2) **Current Liabilities**				
(a) Financial Liabilities				
(i) Borrowings		**–**	–	–
(ii) Trade Payables	22	**30,711.56**	22,429.25	21,770.90
(iii) Other Financial Liabilities	23	**13,065.52**	11,482.02	9,007.11
(b) Other Current liabilities	24	**6,805.63**	7,462.44	5,565.90
(c) Provisions	25	**1,990.88**	793.17	963.83
(d) Current Tax liabilities (net)	26	**4,574.57**	4,061.26	5,023.51
Total Current Liabilities		**57,148.16**	46,228.14	42,331.25
Total Equity and Liabilities		**1,79,352.20**	1,59,291.34	1,44,797.39

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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Manjusha Bhatnagar
D Sothi Selvam
K Swaminathan
Indrani Kaushal
Atreyee Borooah Thekedath
Directors

Kavita Bhavsar
Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in Lakhs)

	Note No.	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
Revenue			
Revenue from operations	27	**1,82,808.25**	1,71,560.04
Other income	28	**7,309.23**	6,275.97
		1,90,117.48	**1,77,836.01**
Expenses			
Cost of materials consumed & Services rendered	29	**1,06,940.86**	97,721.82
Purchase of stock-in-trade	30	**1,148.67**	358.05
Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	**(38.44)**	(77.89)
Excise Duty on sales		**12,171.84**	12,105.14
Employee Benefits Expenses	32	**19,936.53**	19,919.06
Finance costs	33	**453.66**	454.81
Depreciation and amortisation expense	34	**2,584.47**	2,400.45
Other expenses	35	**21,508.99**	20,933.78
		1,64,706.58	**1,53,815.22**
Profit before exceptional items and Tax		**25,410.90**	24,020.79
Exceptional Items		**–**	**–**
Profit before Tax		**25,410.90**	24,020.79
Tax expense	36		
Current Tax		**8,851.00**	7,779.00
Deferred Tax		**(481.99)**	(193.22)
Profit for the period from Continuing Operations		**17,041.89**	**16,435.01**
Profit/(Loss) from Discontinued Operations		**–**	**–**
Tax expense of Discontinued Operations		**–**	**–**
Profit/(Loss) from Discontinued Operations after Tax		**–**	**–**
Profit/(Loss) for the period		**17,041.89**	16,435.01
Other Comprehensive Income	37		
A i) Items that will not be reclassified to profit and loss		**131.28**	(377.15)
ii) Income tax relating to items that will not be reclassified to profit or loss		**(45.43)**	130.52
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		**85.85**	**(246.63)**
Total Comprehensive Income for the year		**17,127.74**	**16,188.38**
Earnings per equity share	38		
Basic (₹)		**14.95**	14.42
Diluted (₹)		**14.95**	14.42
Summary of significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu	**Shyam Sundar Khuntia**	**Manjusha Bhatnagar** **D Sothi Selvam** **K Swaminathan** **Indrani Kaushal** **Atreyee Borooah Thekedath**	**Kavita Bhavsar**
Chairman & Managing Director	Director (Finance) & Chief Financial Officer	Directors	Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

(₹ in Lakhs)

Particulars		Year ended 31 March 2017	Year ended 31 March 2016
Cash flow from operating activities			
Net profit before tax		**25,411**	**24,021**
Adjustments for:			
Depreciation and amortisation		**2,584**	2,400
Write off/Provision for doubtful trade receivables (Net)		**1,002**	468
Write off/Provision for Inventories (Net)		**30**	85
Other Write off/Provision (Net)		**1**	50
(Gain)/ Loss on sale of fixed assets (net)		**(2)**	(2)
(Gain)/ Loss on fair valuation of Investments (net)		**–**	(10)
Interest income		**(3,463)**	(3,042)
Dividend Income		**(1,150)**	(1,265)
Finance costs		**454**	455
Operating cash flows before working capital changes		**24,866**	**23,161**
Changes in operating assets and liabilities			
(Increase)/Decrease in trade receivables		**(6,130)**	(1,920)
(Increase)/Decrease in non current assets		**(292)**	(586)
(Increase)/Decrease in Inventories		**(3,223)**	949
(Increase)/Decrease in other short term financial assets		**1,218**	(3,939)
(Increase)/Decrease in other current assets		**(1,118)**	150
Increase/(Decrease) in trade payables		**8,281**	567
Increase/(Decrease) in long term provisions		**(963)**	535
Increase/(Decrease) in short term provisions		**1,284**	(417)
Increase/(Decrease) in other liabilities		**2,298**	1,590
Increase/(Decrease) in other current liabilities		**(657)**	1,897
Cash flow generated from operations		**25,563**	**21,988**
Income taxes paid (net of refunds)		**(8,338)**	(8,741)
Net cash flow from operating activities	**A**	**17,225**	**13,247**
Cash flow from investing activities			
Purchase or construction of Property,plant and equipment		**(5,081)**	(3,680)
Purchase of Investments		**(3,000)**	–
Proceeds on sale of Property, plant and equipment		**25**	24
Proceeds on sale of Investment		**12**	–
Bank deposits (having original maturity of more than three months) (net)		**(7,389)**	(6,023)
Interest received		**3,463**	3,042
Dividend received		**1,150**	1,265
Net cash generated from investing activities	**B**	**(10,819)**	**(5,371)**
Cash flow from financing activities			
Dividend paid (including tax on dividend)		**(6,870)**	(6,180)
Finance cost paid		**(454)**	(455)
Net cash used by financing activities	**C**	**(7,324)**	**(6,635)**
Net cash increase/(Decrease) in cash and cash equivalents (A+B+C)		**(917)**	**1,241**
Cash and cash equivalents at the beginning of the year		**4,023**	2,782
Cash and cash equivalents at the end of the year		**3,106**	4,023
Movement in cash balance		**(917)**	**1,241**
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		**31**	80
Balances with banks			
On current accounts		**3,076**	3,943
On deposits with original maturity upto 3 months		**–**	–
		3,106	**4,023**

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Manjusha Bhatnagar
D Sothi Selvam
K Swaminathan
Indrani Kaushal
Atreyee Borooah Thekedath
Directors

Kavita Bhavsar
Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

(₹ 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	2,850.06	8,550.19	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 2015	**3,626.77**	**38,154.01**	**51,562.24**	**–**	**93,343.02**
Profit for the year	–	–	16,435.01	–	16,435.01
Dividends paid	–	–	(5,130.12)	–	(5,130.12)
Dividend Tax paid	–	–	(1,073.47)	–	(1,073.47)
Transfers	–	3,000.00	(3,000.00)	–	–
Retained earnings adjustment	–	–	316.00	–	316.00
Remeasurement gain/loss during the year	–	–	–	(246.63)	(246.63)
Balance as at 31 March 2016	**3,626.77**	**41,154.01**	**59,109.67**	**(246.63)**	**1,03,643.82**
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**	**1,05,198.52**

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 Partha Sarathi De
Partner
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Kolkata, 29th May , 2017

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Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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, Logistics 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 exchanges 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. These are the Company's first 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 Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The preparation of financial statements requires the use of accounting estimates which, by definition, may or may not equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

The Standalone financial statements for the year ended 31st March are authorised and approved for issue by the Board of Directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

1.1 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities, measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans, plan assets measured at fair value

1.2 Property, plant and equipment

Items of Property, plant and equipment are valued at cost of acquisition inclusive of any other cost attributable to bringing the same to their working condition. Property, plant and equipment manufactured /constructed in house are valued at actual cost of raw materials, conversion cost and other related costs.

Cost of leasehold land having lease tenure over thirty (30) years is amortised over the period of lease. Leases having tenure of thirty (30) years or less are treated as operating lease and disclosed under prepaid expense.

Expenditure incurred during construction of capital projects including related pre-production expenses is treated as Capital Work-in-Progress and in case of transfer of the project to another body, the accounting is done on the basis of terms of transfer.

Machine Spares whose use is irregular is classified as Capital Spares. Such capital spares are capitalised as per Property, Plant & equipment.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income' or 'other expenses' respectively.

Depreciation on tangible assets is provided on pro-rata basis on the 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 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

In case of Plant & Machinery other than continuous process plant, based on technical review by a Chartered Engineer, useful life is estimated at 25 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 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 is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on 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, including excise though excluding sales taxes, rebates and various discounts.

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 8% of eligible employees' salary to the fund administered by the trustees and managed by Life Insurance Corporation of India (LIC) and has no further obligations on this account. These are recognised as and when they are due.

Defined Benefit plans

Gratuity and Post Retirement Benefit plans – The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity. Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Other long term employee benefit obligations

The liabilities for leave encashment and long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuary using the projected unit credit method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in profit or loss.

1.20 Prior period Items

Material prior period items which arise in the current period as a result of error or omission in the preparation of prior period's financial statement are corrected retrospectively in the first set of financial statements approved for issue after their discovery by :

a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or

b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

c) Any items exceeding rupees twenty five lacs (₹ 25 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 period for which retrospective restatement is practicable (which may be the current period).

1.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, share splits or consolidation that have changed the number of equity shares outstanding without a change in corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

		Manjusha Bhatnagar **D Sothi Selvam** **K Swaminathan** **Indrani Kaushal**	
Prabal Basu	**Shyam Sundar Khuntia**	**Atreyee Borooah Thekedath**	**Kavita Bhavsar**
Chairman & Managing Director	Director (Finance) & Chief Financial Officer	Directors	Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note No. 2

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Property plant and equipment												
	Land - Freehold	Land - Leasehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter Accounting Machine and Office Equipment	Tubewell, Tanks and Miscel-laneous Equipment	Lab Equipment	Railway Sidings	Vehicles	Total
Gross block													
Gross Block 1 April 2015	1,533.56	7,255.34	16,408.66	22,844.97	155.52	3,457.94	1,012.25	2,212.37	1,866.81	734.15	295.88	887.14	**58,664.59**
Less: Ind AS adjustment 1 April 2015	–	3,717.04	147.58	–	–	–		–	–	–	–	–	**3,864.62**
Gross Block after Ind AS Adj. 1 April 2015	1,533.56	3,538.30	16,261.08	22,844.97	155.52	3,457.94	1,012.25	2,212.37	1,866.81	734.15	295.88	887.14	54,799.97
Accumulated Depreciation 1 April 2015	–	1,046.41	3,204.72	8,948.32	133.80	1,949.53	535.35	1,554.52	1,027.07	262.63	57.55	517.88	**19,237.78**
Less: IND AS adjustment 1 April 2015	–	418.42	49.79	–	–	–	–	–	–	–	–	–	**468.21**
Accumulated Depreciation after IND AS Adjustment	–	627.99	3,154.93	8,948.32	133.80	1,949.53	535.35	1,554.52	1,027.07	262.63	57.55	517.88	18,769.57
Accumulated Impairment 1 April 2015	–	–	64.76	41.43	–	1.09	–	–	2.38	–	–	–	**109.66**
Deemed cost as at 1 April 2015	1,533.56	2,910.31	13,041.39	13,855.21	21.72	1,507.32	476.90	657.85	837.36	471.52	238.33	369.26	**35,920.73**
Additions	865.11	291.00	817.99	975.72	–	422.72	172.93	438.39	200.72	35.99	–	35.70	**4,256.27**
Disposal of assets	–	–	3.18	24.31	–	28.10	10.82	59.54	0.80	–	–	45.79	**172.54**
Balance as at Mar 31 2016	**2,398.67**	**3,201.31**	**13,856.20**	**14,806.62**	**21.72**	**1,901.94**	**639.01**	**1,036.70**	**1,037.28**	**507.51**	**238.33**	**359.17**	**40,004.46**
Accumulated depreciation													
Balance as at 1 April 2015	–	–	–	–	–	–	–	–	–	–	–	–	**–**
Depreciation charge for the year	–	62.41	354.66	727.55	15.54	296.41	79.93	322.36	131.86	74.07	20.94	151.95	**2,237.68**
Disposal of assets	–	–	0.91	23.26	–	25.39	10.14	59.01	0.48	–	–	30.52	**149.71**
Balance as at Mar 31 2016	**–**	**62.41**	**353.75**	**704.29**	**15.54**	**271.02**	**69.79**	**263.35**	**131.38**	**74.07**	**20.94**	**121.43**	**2,087.97**
Net block as at Mar 31 2016	**2,398.67**	**3,138.90**	**13,502.45**	**14,102.33**	**6.18**	**1,630.92**	**569.22**	**773.35**	**905.90**	**433.44**	**217.39**	**237.74**	**37,916.49**
Gross block													
Deemed cost as at 1 April 2016	2,398.67	3,201.31	13,856.20	14,806.62	21.72	1,901.94	639.01	1,036.70	1,037.28	507.51	238.33	359.17	**40,004.46**
Additions	–	2.50	214.61	982.01	5.88	561.03	68.33	440.74	405.30	28.39	–	9.50	**2,718.29**
Inter Asset Adjustment	–	–	31.65	–	–	–	–	–	–	–	–	–	**31.65**
Disposal of assets	–	–	–	16.84	3.35	14.18	10.67	26.00	1.97	–	–	–	**73.01**
Balance as at Mar 31 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**
Accumulated depreciation													
Balance as at 1 April 2016	–	62.41	353.75	704.29	15.54	271.02	69.79	263.35	131.38	74.07	20.94	121.43	**2,087.97**
Depreciation charge for the year	–	63.53	377.01	773.57	6.02	327.53	90.23	370.03	144.31	74.63	20.94	145.90	**2,393.70**
Disposal of assets	–	–	–	14.37	3.35	12.91	9.96	24.61	1.87	–	–	–	**67.06**
Balance as at Mar 31 2017	**–**	**125.94**	**730.76**	**1,463.50**	**18.21**	**585.64**	**150.06**	**608.77**	**273.82**	**148.70**	**41.88**	**267.33**	**4,414.61**
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 2017

Note No. 3

INVESTMENT PROPERTIES

(₹ in Lakhs)

Gross carrying amount	
Deemed cost as at 1 April 2015	97.79
Additions	–
Disposals/adjustments	–
Balance as at 31 March 2016	**97.79**
Additions	–
Disposals/adjustments	(31.65)
Balance as at 31 March 2017	**66.14**
Accumulated Depreciation	
At 1 April 2015	–
Depreciation charge for the year	2.54
Disposals/adjustments for the year	–
Balance as at 31 March 2016	**2.54**
Depreciation charge for the year	1.72
Disposals/adjustments for the year	–
Balance as at 31 March 2017	**4.26**
Net book value (deemed cost) as at 1 April 2015	**97.79**
Net book value as at 31 March 2016	**95.25**
Net book value as at 31 March 2017	**61.88**

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 2017 or previous ended 31 March 2016.

(iii) **Restrictions**

There are no restrictions on remittance of income receipts or receipt of proceeds from disposals.

(iv) **Amount recognised in profit and loss for investment properties**

(₹ in Lakhs)

	31 March 2017	31 March 2016
Rental income	**212.73**	212.41
Direct operating expenses that generate rental income	**55.23**	93.11
Direct operating expenses that did not generate rental income	**55.27**	112.51
Profit from leasing of investment properties	**102.23**	6.79

(v) **Leasing arrangements**

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

(vi) **Fair value**

(₹ in Lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Fair value	**2490.69**	3558.94	3481.56

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 an 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				
Deemed cost as at 1 April 2015	689.32	345.38	332.63	678.01
Additions	–	202.84	–	202.84
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2016	**689.32**	**548.22**	**332.63**	**880.85**
Additions	–	98.02	–	98.02
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2017	**689.32**	**646.25**	**332.63**	**978.88**
Accumulated amortisation				
At 1 April 2015	–	–	–	–
Amortisation charge for the year		122.23	38.00	160.23
Disposals/adjustments for the year	–	–	–	–
Balance as at 31 March 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**
Net book value (deemed cost) as at 1 April 2015	**689.32**	**345.38**	**332.63**	**678.01**
Net book value as at 31 March 2016	**689.32**	**426.00**	**294.63**	**720.63**
Net book value as at 31 March 2017	**689.32**	**372.97**	**256.63**	**629.60**

Note No. 5
NON CURRENT INVESTMENT
Unquoted, unless otherwise stated

(₹ in Lakhs)

Name of the Body Corporate	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	No of Shares	Amount	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.	**86,01,277**	**3,385.03**	86,01,277	3,385.03	86,01,277	3,385.03
Ordinary Equity shares of ₹ 10 each						
Transafe Services Ltd.						
Ordinary equity shares of ₹ 10 each	**1,13,61,999**	**1,165.12**	1,13,61,999	1,165.12	1,13,61,999	1,165.12
Less Provision for diminution in value		**(1,165.12)**		(1,165.12)		(1,165.12)
(Carried in books at a value of ₹ 1 only)						
Balmer Lawrie Hind Terminal Pvt. Ltd.						
Ordinary Equity shares of ₹ 10 each	**–**	**–**	–	–	25,000	2.50
In Subsidiary Company						
Balmer Lawrie (UK) Ltd.	**17,97,032**	**996.28**	17,97,032	996.28	17,97,032	996.28
Ordinary Shares of GBP 1 each						
Vishakhapatnam Port Logistics Park Ltd	**3,00,10,000**	**3,001.00**	10,000	1.00	10,000	1.00
Ordinary Shares of each ₹ 10 each						
In Associate Company						
Balmer Lawrie (UAE) LLC	**9,800**	**890.99**	9,800	890.99	9,800	890.99
Shares of AED 1,000 each						
AVI-OIL India (P) Ltd.	**45,00,000**	**450.00**	45,00,000	450.00	45,00,000	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	**1,33,00,000**	**1,330.00**	1,33,00,000	1,330.00	1,33,00,000	1,330.00
Less : Provision for diminution in value		**(1,330.00)**		(1,330.00)		(1,330.00)
Total		**8,723.30**		5,723.30		5,725.80
Other Investments						
Equity shares of ₹10 each						
Bridge & Roof Co. (India) Ltd. **	**3,57,591**	**14.01**	3,57,591	14.01	3,57,591	14.01
Biecco Lawrie Ltd **	**1,95,900**	**–**	1,95,900	–	1,95,900	–
(Carried in books at a value of ₹ 1 only)						
Balmer Lawrie Hind Terminal Pvt. Ltd. *	–	–	25,000	12.10	–	–
(Gone for Liquidation)						
Woodlands Multispeciality Hospitals Ltd.	**8,850**	**0.45**	8,850	0.45	8,850	0.45
Total		**14.46**		26.56		14.46
Total		**8,737.76**		5,749.86		5,740.26
Aggregate amount of quoted investments at Cost		**–**		–		–
Aggregate amount of unquoted investments at cost		**8,737.76**		5,749.86		5,740.26
		8,737.76		5,749.86		5,740.26

* The company has applied for voluntary winding up during the year 2015-16 which has been completed during the year 2016-17.The sum receivable on liquidation has been considered to be the fair value.

** 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)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Financial Assets (Non - Current)			
Loans			
Secured considered good			
Security Deposits	–	–	–
Loans to Related Parties	–	–	–
Other Loans	305.28	327.10	153.02
Unsecured considered good			
Security Deposits			
Loans to Related Parties			
Transafe Services Ltd	180.00	180.00	180.00
Other Loans	–	–	–
Doubtful			
Security Deposits	–	–	–
Loans to Related Parties			
Balmer Lawrie Van Leer Ltd	1,817.92	1,817.92	1,817.92
Others to Related Parties	1,248.53	1,089.35	929.21
Less : Provision for doubtful Loans			
Security Deposits	–	–	–
Loans to Related Parties	(1,817.92)	(1,817.92)	(1,817.92)
Others to Related Parties	(1,248.53)	(1,089.35)	(929.21)
	485.28	**507.10**	**333.02**

(*) 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 2017	As at 31 March 2016	As at 1st April 2015
Financial Assets (Non - Current)			
Accrued Income			
Security Deposits	448.16	316.24	324.86
Other Receivables	52.93	35.54	21.75
Dues from Related Parties -Doubtful	–	–	–
Transafe Services Ltd	80.87	80.87	81.87
Less : Provision	(80.87)	(80.87)	(81.87)
	501.09	**351.78**	**346.61**

Note No. 8
DEFERRED TAX

(₹ in Lakhs)

	31 March 2017	31 March 2016	1 April 2015
Deferred tax liability arising on account of :			
Property, plant and equipment	**(4,934.02)**	(4,513.57)	(4,153.41)
Deferred tax asset arising on account of :			
Adjustment for VRS expenditure	**487.75**	676.44	278.39
Provision for loans, debts, deposits & advances	**2,346.99**	1,942.99	1,579.34
Defined benefit plans	**1,902.61**	1,401.80	1,170.51
Provision for Inventory	**135.26**	124.90	117.11
Provision for dimunition in investment	**863.51**	863.51	863.51
Others	**–**	(0.51)	0.36
	802.10	**495.56**	**(144.19)**

Movement in deferred tax liabilities

Particulars	1 April 2015	Recognised in profit and loss	Recognised in Other Compre-hensive Income	31 March 2016
Property, plant and equipment	(4,153.41)	(360.16)	–	(4,513.57)
Adjustment for VRS expenditure	278.39	398.05	–	676.44
Provision for loans, debts, deposits & advances	1,579.34	363.65	–	1,942.99
Defined benefit plans	1,170.51	100.76	130.52	1,401.80
Provision for Inventory	117.11	7.79	–	124.90
Provision for dimunition in investment	863.51	–	–	863.51
Others	0.36	(0.86)	–	(0.51)
	(144.19)	**509.23**	**130.52**	**495.56**

Movement in deferred tax liabilities

Particulars	31 March 2016	Recognised in profit and loss	Recognised in Other Compre-hensive Income	31 March 2017
Property, plant and equipment	(4,513.57)	(420.45)	–	**(4,934.02)**
Adjustment for VRS expenditure	676.44	(188.70)	–	**487.75**
Provision for loans, debts, deposits & advances	1,942.99	404.00	–	**2,346.99**
Defined benefit plans	1,401.80	455.38	45.43	**1,902.61**
Provision for Inventory	124.90	10.36	–	**135.26**
Provision for dimunition in investment	863.51	–	–	**863.51**
Others	(0.51)	0.51	–	**–**
	495.56	**261.10**	**45.43**	**802.10**

Note No. 9
NON FINANCIAL ASSETS (NON - CURRENT)

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Capital Advances	**100.08**	146.92	347.05
Balances with Government Authorities	**230.37**	208.70	129.61
Prepaid Expenses	**3,250.06**	3,100.28	3,211.84
Others	**134.65**	144.72	152.39
	3,715.16	**3,600.62**	**3,840.89**

Note No. 10
INVENTORIES

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Raw Materials and components	**8,846.73**	5,813.18	6,922.72
Goods-in-transit	**1.01**	18.55	114.16
Slow Moving & Non moving	**241.97**	154.41	152.54
Less : Adjustment for Slow & Non moving	**(161.64)**	(97.91)	(97.54)
Total - Raw Materials and components	**8,928.07**	5,888.23	7,091.88
Work in Progress	**1,097.87**	1,075.82	974.36
Slow Moving & Non moving	**14.49**	–	–
Less : Adjustment for Slow & Non moving	**(7.70)**	–	–
Total - Work in Progress	**1,104.66**	1,075.82	974.36
Finished goods	**4,125.57**	4,083.71	3,972.71
Goods-in transit	**270.49**	258.45	400.01
Slow Moving & Non moving	**220.03**	317.75	296.78
Less : Adjustment for Slow & Non moving	**(127.09)**	(180.51)	(169.61)
Total - Finished Goods	**4,489.00**	4,479.40	4,499.89
Trading Goods	**–**	–	3.08
	–	–	3.08
Stores and spares	**620.85**	505.87	423.41
Slow Moving & Non moving	**121.47**	109.66	89.00
Less : Adjustment for Slow & Non moving	**(94.41)**	(82.49)	(71.25)
Total - Stores & Spares	**647.91**	533.04	441.16
Total	**15,169.64**	**11,976.49**	**13,010.37**

[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 2017	As at 31 March 2016	As at 1st April 2015
Trade receivables outstanding for a period less than six months			
Secured, considered good			
Unsecured, considered good	**25,727.66**	21,449.33	19,892.96
Unsecured, considered doubtful	**1.61**	52.79	64.62
Less: Provision for doubtful debts	**(1.61)**	(52.79)	(64.62)
	25,727.66	21,449.33	19,892.96
Trade receivables outstanding for a period exceeding six months			
Secured, considered good			
Unsecured, considered good	**2,432.89**	1,583.21	1,687.86
Unsecured, considered doubtful	**601.18**	503.03	448.31
Less: Provision for doubtful debts	**(601.18)**	(503.03)	(448.31)
	2,432.89	1,583.21	1,687.86
Total	**28,160.55**	23,032.54	21,580.82

Note No. 12
CASH AND BANK BALANCES

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Cash in hand	**30.74**	80.24	21.21
Balances with Banks - Current Account	**3,075.74**	3,942.77	2,761.16
Total	**3,106.48**	**4,023.01**	**2,782.37**

Note No. 13
OTHER BANK BALANCES

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1*st April 2015
Unclaimed Dividend Accounts	**231.86**	208.90	185.55
Bank Term Deposits	**47,457.35**	40,074.69	34,056.89
Margin Money deposit with Banks	**69.70**	63.78	58.87
Total	**47,758.91**	**40,347.37**	**34,301.31**

Note No. 14

FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

		As at 31 March 2017		As at 31 March 2016		As at 1st April 2015
Loans						
Secured considered good						
Security Deposits		–		–		–
Loans to Related Parties		–		–		–
Other Loans (Employees)		**84.38**		134.02		279.66
Unsecured considered good						
Security Deposits		–		–		–
Advances to Related Parties *						
Balmer Lawrie Investments Ltd.	**7.46**		0.97		3.50	
Balmer Lawrie Hind Terminal Pvt. Ltd.			–		10.38	
Pt. Balmer Lawrie Indonesia	**27.64**		29.18		35.87	
Balmer Lawrie Van Leer Ltd.	**5.18**		–		4.04	
Transafe Services Ltd.	**67.03**		66.15		48.47	
Vishakhapatnam Port Logistics Park Ltd	**52.57**		481.92		196.23	
Balmer Lawrie UAE Ltd.	**36.66**		25.63		18.71	
		196.54		603.85		317.20
Other Loans and advances (Employees)		**30.83**		20.95		34.84
Other Loans and advances		**127.36**		92.22		63.43
		439.11		**851.04**		**695.13**

* Advances to related parties are in the course of regular business transactions

Note No. 15

OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Unsecured			
Accrued Income	**1,900.75**	1,462.14	1,357.66
Security Deposits	**819.39**	1,022.55	1,214.36
Other Receivables - considered good	**18,034.77**	19,076.66	14,941.14
Other Receivables - considered doubtful	**2,366.32**	1,612.90	918.28
Less : Provision for doubtful receivables	**(2,366.32)**	(1,612.90)	(918.28)
	20,754.91	**21,561.35**	**17,513.16**

Note No. 16
NON FINANCIAL ASSETS (CURRENT)

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Balances with Government Authorities	**2,022.71**	2,486.24	2,110.04
Prepaid Expenses	**653.08**	657.18	1,325.82
Advances to Contractors & Suppliers -Good	**1,813.61**	2,254.65	1,767.04
Advances to Contractors & Suppliers -Doubtful	**665.22**	457.42	303.46
Less : Provision for Doubtful Advances	**(665.22)**	(457.42)	(303.46)
Other Advances to related parties	**600.00**	–	–
Others	**2,652.93**	1,249.31	1,617.64
	7,742.33	**6,647.38**	**6,820.54**

Note No. 17
EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Authorised Capital			
120,000,000 (60,000,000) equity shares of ₹ 10 each	**12,000.00**	6,000.00	6,000.00
	12,000.00	**6,000.00**	**6,000.00**
Issued and Subscribed Capital			
114,002,564 (28,500,641) equity shares of ₹ 10 each	**11,400.25**	**2,850.06**	**2,850.06**
Paid-up Capital			
114,002,564 (28,500,641) equity shares of ₹ 10 each	**11,400.25**	2,850.06	2,850.06
	11,400.25	**2,850.06**	**2,850.06**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	31 March 2017		31 March 2016	
	No of shares	Amount (₹ in Lakhs)	No of shares	Amount (₹ in Lakhs)
Equity shares at the beginning of the year	**28,500,641**	**2,850.06**	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**	28,500,641	2,850.06

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 2017		As on 31 March 2016		As on 1 April 2015	
	No of shares	**% holding**	No of shares	% holding	No of shares	% holding
Equity shares of ₹ 10 each fully paid up						
Balmer Lawrie Investments Ltd.	**70,452,900**	**61.80%**	17,613,225	61.80%	17,613,225	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

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Share Premium Reserve	**3,626.77**	3,626.77	3,626.77
General Reserve	**35,603.82**	41,154.01	38,154.01
Retained Earnings	**65,882.08**	59,109.67	51,562.24
Other Comprehensive Income Reserve	**85.85**	(246.63)	–
Total Reserve	**105,198.52**	103,643.82	93,343.02

	For the year 31 March 2017	For the year 31 March 2016
Share Premium Reserve (A)	**3,626.77**	3,626.77
General Reserve		
Opening Balance	**41,154.01**	38,154.01
Less : Bonus Shares issued	**(8,550.19)**	–
Amount transferred from retained earnings	**3,000.00**	3,000.00
Sub Total (B)	**35,603.82**	41,154.01
Retained Earnings		
Opening balance	**59,109.67**	51,562.24
Add : Net profit for the year	**17,041.89**	16,435.01
Less: Appropriations		
Transfer to general reserve	**(3,000.00)**	(3,000.00)
Equity dividend	**(5,700.13)**	(5,130.12)
Tax on equity dividend	**(1,192.69)**	(1,073.47)
Other adjustment	**(376.65)**	316.00
Net surplus in Retained Earnings (C)	**65,882.08**	59,109.67
Other Comprehensive Income Reserve		
Opening balance	**(246.63)**	–
Movement	**332.48**	(246.63)
Sub Total (D)	**85.85**	(246.63)
Total (A+B+C+D)	**105,198.52**	103,643.82
Total Reserves - 2016		**103,643.82**
Total Reserves - 2015		**93,343.02**

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 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.

General Reserve

The company has proposed to transfer a sum of ₹ 3000 Lacs to General Reserve out of the profits.

Note No. 19
NON CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Financial Liabilities (Non-Current)			
Borrowings			
Trade Payable			
Payable to MSME	–	–	–
Other Trade Payable	–	–	0.02
Other Financial Liabilities			
Deposits	**21.85**	22.70	113.91
Other Liabilities	–	–	–
	21.85	**22.70**	**113.93**

Note No. 20
PROVISIONS (NON-CURRENT)

(₹ in Lakhs)

Actuarial Provision	**3,391.40**	3,525.30	2,989.81
Long term Provisions	**2,187.90**	3,017.10	3,017.10
	5,579.30	**6,542.40**	**6,006.91**

Note No. 21
NON FINANCIAL LIABILITIES (NON-CURRENT)

(₹ in Lakhs)

Advances from Customers	**3.55**	3.55	–
Others	**0.57**	0.67	8.03
	4.12	**4.22**	**8.03**

Note No. 22
CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Financial Liabilities (Current)			
Trade Payable			
Payable to MSME	**94.45**	92.07	116.92
Other Trade Payable	**30,617.11**	22,337.18	21,653.98
	30,711.56	**22,429.25**	**21,770.90**

Note No. 23
OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Unclaimed Dividend *	**231.86**	208.90	185.55
Security Deposits	**2,409.60**	2,051.63	1,903.31
Other Liabilities	**10,424.06**	9,221.49	6,918.25
	13,065.52	**11,482.02**	**9,007.11**

* There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

Note No. 24
NON FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Advance from Customers	**976.85**	956.47	858.26
Statutory Dues	**1,759.17**	2,048.89	1,495.07
Deferred Gain/Income	**2.50**	48.49	25.16
Other Liabilities	**4,067.11**	4,408.59	3,187.41
	6,805.63	**7,462.44**	**5,565.90**

Note No. 25
CURRENT PROVISIONS

(₹ in Lakhs)

Actuarial Provision	**350.64**	148.03	392.39
Short term Provisions	**1,640.24**	645.14	571.44
	1,990.88	**793.17**	**963.83**

Note No. 26
CURRENT TAX LIABILITIES

(₹ in Lakhs)

Provision for Taxation (Net of advance)	**4,574.57**	4,061.26	5,023.51
	4,574.57	**4,061.26**	**5,023.51**

Note No. 27
REVENUE FROM OPERATIONS

(₹ in Lakhs)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of Products	**1,05,334.07**	99,023.75
Sale of Services	**71,523.95**	69,333.41
Sale of Trading Goods	**1,148.67**	365.56
Other Operating Income	**4,801.56**	2,837.32
	1,82,808.25	**1,71,560.04**

Note No. 28
OTHER INCOME

(₹ in Lakhs)

Interest Income		
Bank Deposits	**3,484.80**	3,120.58
Others	**251.02**	231.52
	3,735.82	3,352.10
Dividend Income	**1,777.54**	1,117.79
Other Non-operating Income		
Profit on Disposal of Fixed assets	**5.13**	7.49
Profit on Disposal of Investments	**–**	–
Unclaimed balances and excess provision written back	**896.59**	1,070.03
Gain on Foreign Currency Transactions (net)	**447.26**	322.57
Gain on Fair valuation of financial assets	**–**	9.60
Miscellaneous Income	**446.89**	396.39
Other Non-operating Income	**1,795.87**	1,806.08
Total	**7,309.23**	**6,275.97**

Note No. 29
COST OF MATERIALS CONSUMED & SERVICES RENDERED

(₹ in Lakhs)

Cost of Materials Consumed	**63,615.21**	56,741.59
Cost of Services Rendered	**43,325.65**	40,980.23
Total	**1,06,940.86**	**97,721.82**

Note No. 30
PURCHASE OF TRADING GOODS

(₹ in Lakhs)

Trading Goods	**1,148.67**	358.05
Total	**1,148.67**	**358.05**

Note No. 31
CHANGES IN INVENTORIES OF TRADING GOODS, WORK-IN-PROGRESS AND FINISHED GOODS

(₹ in Lakhs)

		For the year ended 31 March 2017	For the year ended 31 March 2016
Change in Trading Goods			
	Opening	–	3.08
	Closing	–	–
	Change	–	3.08
Change in Work In Progress			
	Opening	**1,075.82**	974.36
	Closing	**1,104.66**	1,075.82
	Change	**(28.84)**	(101.46)
Change in Finished Goods			
	Opening	**4,479.40**	4,499.89
	Closing	**4,489.00**	4,479.40
	Change	**(9.60)**	20.49
		(38.44)	**(77.89)**

Note No. 32
EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Salaries and Incentives	**15,091.39**	16,727.10
Contributions to Provident & Other Funds	**3,350.98**	1,752.49
Staff Welfare Expenses	**1,494.16**	1,439.47
Total	**19,936.53**	**19,919.06**

Note No. 33
FINANCE COSTS

(₹ in Lakhs)

Interest Cost	**322.44**	306.11
Bank Charges*	**131.22**	148.70
Total	**453.66**	**454.81**

* Bank Charges include charges for opening of L/C, bank guarantee charges and other charges related to bank transactions.

Note No. 34
DEPRECIATION & AMORTISATION EXPENSES

(₹ in Lakhs)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation		
Property Plant & Equipment	**2,393.70**	2,237.68
Investment Properties	**1.72**	2.54
Amortisation of Intangible Assets	**189.05**	160.23
Total	**2,584.47**	**2,400.45**

Note No. 35
OTHER EXPENSES

(₹ in Lakhs)

Manufacturing Expenses	**1,437.15**	1,412.43
Consumption of Stores and Spares	**841.90**	794.62
Excise duty on Closing Stock (Refer Note no. 40.17)	**103.87**	43.22
Repairs & Maintenance - Buildings	**634.73**	726.00
Repairs & Maintenance - Plant & Machinery	**375.13**	308.83
Repairs & Maintenance - Others	**539.72**	571.63
Power & Fuel	**2,341.49**	2,181.55
Electricity & Gas	**370.32**	373.18
Rent	**1,074.25**	990.70
Insurance	**205.55**	227.37
Packing, Despatching, Freight and Shipping Charges	**3,920.07**	3,450.49
Rates & Taxes	**139.25**	110.76
Auditors Remuneration and Expenses	**22.61**	22.17
Write Off of Debtors ,Deposits, Loan & Advances	**544.08**	479.95
Provision for Doubtful Debts & Advances	**1,554.72**	1,311.12
Fixed Assets Written Off	**0.91**	2.39
Loss on Disposal of Fixed Assets	**1.77**	3.46
Selling Commission	**583.11**	560.26
Cash Discount	**285.48**	336.98
Travelling Expenses	**1,012.82**	963.74
Printing and Stationery	**223.77**	495.65
Motor Car Expenses	**142.84**	148.44
Communication Charges	**420.28**	351.87
Corporate Social Responsibility Expenses	**412.70**	395.51
Miscellaneous Expenses	**4,562.42**	4,850.71
	21,750.94	21,113.03
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back	**(241.95)**	(179.25)
Total	**21,508.99**	**20,933.78**

Note No. 36
TAX EXPENSE

(₹ in Lakhs)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Current tax	**9,301.00**	8,479.00
Deferred tax	**(481.99)**	(193.22)
Prior period	**(450.00)**	(700.00)
Total	**8,369.01**	**7,585.78**

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 2017	For the year ended 31 March 2016
Accounting profit before income tax	**25410.90**	24020.79
At country's statutory income tax rate of 34.608% (31 March 2016 and 2017: 34.608%)	**34.608%**	34.608%
Tax Expense	**8,794.20**	8,313.12
Adjustments in respect of current income tax		
Exempt Dividend Income	**(113)**	(101)
Foreign Dividend Income, taxed at a different rate	**(251)**	(143)
Non-deductible expenses for tax purposes		
Provisions (net)	**1,171**	506
CSR Expenses	**143**	137
VRS Expenses	**(142)**	398
Depreciation Difference	**(272)**	(226)
Additional Deduction for R&D expenses	**(30)**	(208)
Adjustments in respect of Previous years	**(450)**	(700)
Deferred tax impact on revised profit	**–**	(197)
Total	**8,851**	**7,779**

Note No. 37
OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Other Comprehensive Income		
(A) **Items that will not be reclassified to profit or loss**		
(i) Re-measurement gains/ (losses) on defined benefit plans	**131.28**	(377.15)
Income tax effect	**(45.43)**	130.52
(ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income equity securities	**–**	–
Income tax effect	**–**	–
	85.85	(246.63)
(B) **Items that will be reclassified to profit or loss**	**–**	–
Total	**85.85**	**(246.63)**

38. Earnings Per Equity Share

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. 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.

(₹ in Lakhs)

	31 March 2017	31 March 2016
Net profit attributable to equity shareholders		
Profit after tax	**17,041.89**	16,435.01
Profit attributable to equity holders of the parent adjusted for the effect of dilution	**17,041.89**	16,435.01
Nominal value of equity share (₹)	**10**	10
Weighted-average number of equity shares for basic EPS	**1,14,002,564**	1,14,002,564
Basic/Diluted earnings per share (₹)	**14.95**	14.42

39. Accounting for employee benefits

Defined Contribution Plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Superannuation 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 ₹ 976.18 lakhs (₹ 954.27 lakhs); Superannuation Fund ₹ 474.73 lakhs (₹ 451.81 lakhs) and contribution to Employee State Insurance Scheme for the year aggregated to ₹ 13.24 lakhs (₹14.67 lakhs).

Defined Benefit Plans

Post Employment Benefit Plans

A. Gratuity

The gratuity plan entitles an employee, who has rendered at least 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 :

Particulars	31 March 2017	31 March 2016	1 April 2015
Defined benefit obligation	**5,835.57**	4,373.01	4,328.14
Fair value of plan assets	**4,023.43**	3,588.06	4,133.14
Net defined benefit obligation	**1,812.14**	784.95	195.00

(₹ in Lakhs)

(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 March 2017	As at 31 March 2016
Opening value of defined benefit obligation	**4,373.01**	4,328.14
Add : Current service cost	**322.14**	302.96
Add : Current interest cost	**300.03**	310.21
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	**(409.54)**	332.79
- changes in financial assumptions	**244.99**	–
Less : Benefits paid	**(514.88)**	(901.08)
Closing value of defined benefit obligation	**5,835.57**	4,373.01
Thereof-		
Unfunded	**1,812.14**	784.95
Funded	**4,023.43**	3,588.06

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions :

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Discount rate (per annum)	**7.29%**	8.00%	8.25%
Rate of increase in compensation levels/Salary growth rate	**6.00%**	6.00%	6.00%
Expected average remaining working lives of employees (years)	**11**	12	12

(iii) The reconciliation of the plan assets held for the Company's defined benefit plan from beginning to end of reporting period is presented below :

	As at 31 March 2017	As at 31 March 2016
Opening balance of fair value of plan assets	**4,145.66**	4,133.14
Add: Contribution by employer	**–**	–
Return on Plan Assets excluding Interest Income	**90.43**	25.34
Add : Interest income	**302.22**	330.65
Less : Benefits paid	**(514.88)**	(901.08)
Closing balance of fair value of plan assets	**4,023.43**	3,588.06

(₹ in Lakhs)

(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 March 2017	For the year ended 31 March 2016
Actuarial (gain)/loss on obligations-change in demographic assumptions	–	–
Actuarial (gain)/loss on obligations-change in financial assumptions	244.99	–
Actuarial (gain)/loss on obligations-Experience Adjustment	(409.54)	332.79
Return on Plan Assets excluding Interest Income	90.43	25.34
Total expense recognized in the statement of Other Comprehensive Income	(254.98)	307.45

Amount recognised in statement of Profit & Loss	For the year ended 31 March 2017	For the year ended 31 March 2016
Current service cost	322.14	302.96
Past service cost (vested)	1,519.83	–
Net Interest cost (Interest Cost-Expected return)	(2.19)	(20.44)
Total expense recognized in the statement of profit & Loss	1,839.77	282.51

Amount recognised in Balance Sheet	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Defined benefit obligation	5,835.57	4,373.01	4,328.14
Classified as :			
Non-current	5,310.21	4,258.65	4,156.35
Current	525.36	114.36	171.79

Gratuity limit has been enhanced to Rupees twenty lakhs by the Central Government. Pending regularization of the same as per The Gratuity Act, the company has provided liability based on actuarial valuation as per the revised limits considering the same as a substantive enactment.

	As at 31 March 2017	As at 31 March 2016
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	392.65	355.99

(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:

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Government of India securities/ State Government securities	40.81%	38.25%	38.97%
Corporate bonds	53.01%	54.89%	53.61%
Others	6.18%	6.86%	7.42%
Total plan assets	100.00%	100.00%	100.00%

(v) **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 2017**	
	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**
Increase/(decrease) in 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 %	**1.00**	**1.00**
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)**

Particulars	**31 March 2016**	
	Increase	**Decrease**
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	4,240	4,515
Original defined benefit obligation	4,373	4,373
Increase/(decrease) in defined benefit obligation	(133)	142
Changes in salary growth rate	0.50	0.50
Defined benefit obligation after change	4,460	4,287
Original defined benefit obligation	4,373	4,373
Increase/(decrease) in defined benefit obligation	87	(86)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	4,378	4,368
Original defined benefit obligation	4,373	4,373
Increase/(decrease) in defined benefit obligation	5	(5)

(₹ in Lakhs)

Particulars	31 March 2016	
	Increase	Decrease
Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	4,376	4,370
Original defined benefit obligation	4,373	4,373
Increase/(decrease) in defined benefit obligation	3	(3)

Particulars	1 April 2015	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	4,194	4,471
Original defined benefit obligation	4,328	4,328
Increase/(decrease) in defined benefit obligation	(135)	142
Changes in salary growth rate	0.50	0.50
Defined benefit obligation after change	4,413	4,244
Original defined benefit obligation	4,328	4,328
Increase/(decrease) in defined benefit obligation	85	(84)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	4,334	4,322
Original defined benefit obligation	4,328	4,328
Increase/(decrease) in defined benefit obligation	6	(6)
Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	4,332	4,324
Original defined benefit obligation	4,328	4,328
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 dependent, spouse, parents and children as per applicable rules.

Particulars	31 March 2017	31 March 2016
Opening value of defined benefit obligation	**328.98**	317.88
Add : Current service cost	**–**	–
Add : Current interest cost	**19.48**	22.20
Add : Actuarial (gain)/loss due to -		
- changes in demographic assumptions	**–**	–
- changes in experience adjustment	**103.87**	69.71
- changes in financial assumptions	**19.84**	–
Less : Benefits paid	**(123.46)**	(80.82)
Closing value of defined benefit obligation	**348.71**	328.98
Thereof -		
Unfunded	**348.71**	328.98
Funded	**–**	**–**

(₹ in Lakhs)

Amount recognised in Other Comprehensive Income	31 March 2017	31 March 2016
Actuarial (gain)/loss on obligations-change in demographic assumptions	–	–
Actuarial (gain)/loss on obligations-change in financial assumptions	103.87	69.71
Actuarial (gain)/loss on obligations-Experience Adjustment	19.84	–
Total expense recognized in the statement of Other Comprehensive Income	123.71	69.71

Amount recognised in statement of Profit & Loss	31 March 2017	31 March 2016
Current service cost	–	–
Net Interest cost (Interest Cost-Expected return)	19	22
Total expense recognized in the statement of Profit & Loss	19	22

Assumptions	31 March 2017	31 March 2016	1 April 2015
Discount rate (per annum)	7.29%	8.00%	8.25%
Superannuation age	60	60	60
Early retirement & disablement	1.00%	1.00%	1.00%

Amount recognised in Balance Sheet	31 March 2017	31 March 2016	1 April 2015
Defined benefit obligation	348.71	328.98	317.88
Classified as :			
Non-current	293.80	253.12	51.47
Current	54.91	75.85	266.41

(iv) Sensitivity Analysis

Particulars	31 March 2017	
	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	(10)	(11)

Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	342	354
Original defined benefit obligation	349	349
Increase/(decrease) in defined benefit obligation	(7)	6

(₹ in Lakhs)

Particulars	31 March 2016	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	319	339
Original defined benefit obligation	329	329
Increase/(decrease) in defined benefit obligation	(10)	10

Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	322	334
Original defined benefit obligation	329	329
Increase/(decrease) in defined benefit obligation	(7)	5

Particulars	1 April 2015	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	309	328
Original defined benefit obligation	318	318
Increase/(decrease) in defined benefit obligation	(9)	10

Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	311	323
Original defined benefit obligation	318	318
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)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015

The Company provides for the encashment of accumulated leave subject to a maximum of 300 days. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent acturial valuation. Amount of ₹ (-)24.76 lakhs (₹ 255.38 lakhs) has been recognised in the statement of profit and loss.

Leave encashment (Non-funded)			
Amount recognized in Balance Sheet – Current	**195.50**	52.56	235.19
Amount recognized in Balance Sheet – Non Current	**2,254.70**	2,422.39	1,984.38

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 ₹ (-)37.07 lakhs (₹ (-) 49.09 lakhs) has been recognised in the statement of profit and loss.

Long service award (Non-funded)			
Amount recognized in Balance Sheet – Current	**58.56**	11.27	75.55
Amount recognized in Balance Sheet – Non Current	**372.14**	456.50	441.31

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ (-)110.80 lakhs (₹ 73.65 lakhs) has been recognised in the statement of profit and loss.

Half pay Leave (Non-funded)			
Amount recognized in Balance Sheet – Current	**41.68**	8.35	30.19
Amount recognized in Balance Sheet – Non Current	**470.76**	393.29	297.70

Note No. 40

ADDITIONAL DISCLOSURES

40.1 (a) Conveyance deeds of certain Leasehold land costing ₹ 5,666.10 lakhs (₹ 5,789.78 lakhs) and buildings, with written down value of ₹ 3,008.07 lakhs (₹ 2,998.16 lakhs) are pending registration / mutation.

(b) Certain buildings & sidings with written down value of ₹ 6,772.63 lakhs (₹ 6908.04 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, 2017 not provided for in the accounts are :

(a) Disputed demand for Excise Duty, Income Tax, Sales Tax, Provident Fund and Service Tax amounting to ₹ 11,465.40 lakhs (₹ 10,185.49 lakhs) against which the Company has lodged appeal/petition before appropriate authorities. Details of such disputed demands as on 31st March, 2017 are given in Annexure – A.

(b) Claims against the company not acknowledged as debts amounts to ₹ 913.73 lakhs (₹ 1,181.03 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, Yes Bank and Indusind Bank in respect of guarantees given by them amounts to ₹ 8,556.77 lakhs (₹ 10,274.64 lakhs).

40.4 Estimated amount of contract remaining to be executed on Capital Accounts and not provided for [net of advances paid – ₹ NIL lakhs (₹ NIL lakhs)] amounted to ₹ 379.53 lakhs (₹ 132.66 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 credited to Statement of Profit & Loss is ₹ 365.10 lakhs [Debited ₹ 7.89 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)

	2016-17	2015-16
Salaries	**183.38**	182.15
Contribution to Provident and Gratuity Fund	**27.63**	25.37
Perquisites	**22.03**	20.43
	233.04	**227.95**

40.9 Auditors' remuneration and expenses : (₹ in Lakhs)

	For the year ended 2016-17	For the year ended 2015-16
Statutory Auditors		
- Audit Fees	**5.00**	5.00
- Tax Audit Fees	**0.70**	0.70
- Other Capacity for Limited Review and Other certification jobs	**1.81**	2.10
Branch Auditors		
- Audit Fees	**11.29**	11.26
- Other Capacity	**–**	–
- Expenses relating to audit of Accounts	**3.81**	3.11
	22.61	22.17

40.10 (a) Stock & Sale of Goods Manufactured (with own materials) : (₹ in Lakhs)

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	3,715.88 (3,586.97)	3,696.73 (3,715.88)	44,506.53 (39,909.33)
Barrels and Drums	514.83 (530.56)	616.06 (514.83)	52,600.29 (49,583.55)
Leather Auxiliaries	248.69 (382.36)	176.20 (248.69)	6,552.00 (6,109.58)
Others including Manufacturing Scrap	– (–)	– (–)	1,489.39 (1,525.55)
	4,479.40 **(4,499.89)**	**4,489.00** **(4,479.40)**	**1,05,148.21** **(97,128.01)**

40.10 (b) Stock & Sale of Goods Manufactured (with customers' materials) : (₹ in Lakhs)

Class of Goods	Opening Value	Closing Value	Sales Value
Greases & Lubricating Oils	– (–)	– (–)	185.86 (1,895.74)
	– **(–)**	**–** **(–)**	**185.86** **(1,895.74)**

40.10 (c) Work in Progress (₹ in Lakhs)

	Value
Greases & Lubricating Oils	397.48 (346.33)
Barrels and Drums	574.83 (627.43)
Leather Auxiliaries	132.35 (102.06)
	1,104.66 **(1,075.82)**

40.11 Analysis of Raw Materials Consumed (excluding materials supplied by Customers) (₹ in Lakhs)

	Value
Steel	30,754.09
	(27,778.98)
Lubricating Base Oils	12,929.83
	(12,501.34)
Additives and other Chemicals	9,593.37
	(6,351.81)
Vegetable and Other Fats	2,099.68
	(2,431.70)
Drum Closures	1,801.79
	(1,781.15)
Paints	1,139.03
	(1,286.76)
Paraffin Wax	690.22
	(667.15)
Others	4,607.20
	(3,942.70)
	63,615.21
	(56,741.59)

40.12 Value of Raw Materials, Components and Spare Parts consumed :

	2016-17		2015-16	
	₹ in Lakhs	%	₹ in Lakhs	%
Raw Materials				
Imported	**4,210.86**	**6.62**	4,944.98	8.71
Indigenous	**59,404.35**	**93.38**	51,796.61	91.29
	63,615.21	**100.00**	**56,741.59**	**100.00**
Spares & Components				
Imported	**160.87**	**19.11**	115.73	14.56
Indigenous	**681.03**	**80.89**	678.89	85.44
	841.90	**100.00**	**794.62**	**100.00**

40.13 (a) **Purchase and Sale of Trading Goods :** (₹ in Lakhs)

Class of Goods	**Purchase Value**	Sale Value
Bunk Houses	**1,148.67**	1,148.67
	–	–
Valves	**–**	–
	(358.05)	(365.56)
	1148.67	**1148.67**
	(358.05)	**(365.56)**

40.13 (b) Stock of Trading Goods : (₹ in Lakhs)

Class of Goods	Opening Value	Closing Value
Coolants	– (3.08)	– (–)
Total	**– (3.08)**	**– (–)**

40.14 (a) Value of Imports on C.I.F basis : (₹ in Lakhs)

	2016-17	2015-16
Raw Materials	**1427.13**	3,681.79
Components and Spare Parts	**123.22**	152.10
Capital Goods	**18.95**	12.29
Total	**1,569.30**	**3,846.18**

40.14 (b) Expenditure in Foreign Currency : (₹ in Lakhs)

Services	**17,277.33**	17,161.96
Others	**67.77**	101.90
Total	**17,345.10**	**17,263.86**

40.14 (c) Earnings in Foreign Currency : (₹ in Lakhs)

Export of Goods and Components calculated on F.O.B basis as invoiced	**1,120.48**	1,006.94
Interest and Dividend	**847.66**	1,032.75
Services	**7,578.51**	8,358.89
Freight, Insurance, Exchange Gain and Miscellaneous Items	**66.13**	65.72
Total	**9,612.78**	**10,464.30**

Earnings from services exclude deemed exports Nil (₹ 23.28 lakhs).

40.15 Expenditure on Research and Development capitalized and charged to Statement of Profit & Loss during the years is as below : (₹ in Lakhs)

	2016-17	2015-16	2014-15	2013-14
Capital Expenditure	**30.41**	51.35	256.88	76.49
Revenue Expenditure	**529.29**	543.32	604.53	610.03

40.16 Excess Income Tax provision in respect of earlier years amounting to ₹ 450 Lakhs (₹ 700 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 and the amount of Excise Duty recognised separately in Note 35 – “Other Expenses” is related to the difference between the closing stock and the opening stock.

40.18 **Employee Benefits**

Consequent to adoption of Ind AS 19 on Employee Benefits, issued by the Institute of Chartered

Accountants of India, by the Company during the year, the prescribed disclosures are made in Note No 39 .

Defined Benefit/s Plans / Long Term Employee benefits in respect of Gratuity, Leave Encashment, Post-retirement medical benefits and Long Service Awards are recognized in the Statement of Profit & Loss on the basis of Actuarial valuation done at the year end. Actuarial gain /loss on post-employment benefit plans that is gratuity and post-retirement medical benefit plans are recognized in Other Comprehensive Income.

40.19 **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 40.20 below.

40.20 **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
Vishakhapatnam Port Logistics Park Ltd.	Wholly owned subsidiary
Transafe Services Ltd.	Joint Venture
Balmer Lawrie - Van Leer Ltd.	Joint Venture
Balmer Lawrie (UAE) Llc.	Associate
Avi - Oil India (P) Ltd.	Associate
Balmer Lawrie Hind Terminals Pvt. Ltd.	Joint Venture (Liquidation completed on 20th Oct 2016)
Proseal Closures Ltd.	Wholly owned subsidiary of Balmer Lawrie Van Leer Ltd.
PT Balmer Lawrie Indonesia	Joint Venture of Balmer Lawrie (UK) Ltd.
Shri V Sinha, Chairman and Managing Director	Key Management Personnel (till 31.07.2015)
Shri N. Gupta, Director (Services Businesses)	Key Management Personnel (till 31.07.2015)
Shri Prabal Basu, Chairman and Managing Director	Key Management Personnel
Ms Manjusha Bhatnagar Director (HR & CA)	Key Management Personnel
Shri D. Sothi Selvam, Director (Manufacturing Business)	Key Management Personnel
Shri K Swaminathan, Director (Service Business)	Key Management Personnel (w.e.f 01.08.2015)
Shri S S Khuntia, Director (Finance)	Key Management Personnel (w.e.f 28.03.2016)
Ms Indrani Kaushal (Govt Nominee director)	Key Management Personnel (w.e.f 27.12.2016)
Ms Atreyee Borooah Thekedath (Independent Director)	Key Management Personnel (w.e.f 13.02.2017)
Ms Kavita Bhavsar, Company Secretary	Key Management Personnel

ii) **Notes on Accounts -** (Contd.) ₹./Lakhs

Transactions with Related Parties

	Type of Transaction	**Year Ending**	**Holding Company**	**Subsidiary**	**Joint Ventures**	**Key Management Personnel**	**TOTAL**
a)	Sale of Goods	31/03/17	–	–	7.86	–	7.86
		31/03/16	–	–	20.30	–	20.30
b)	Purchase of Goods	31/03/17	–	–	3,203.32	–	3,203.32
		31/03/16	–	–	2,079.63	–	2,079.63
c)	Value of Services	31/03/17	36.00	–	843.39	3.82	883.22
	Rendered	31/03/16	35.40	–	851.25	–	886.65
d)	Value of Services	31/03/17	–	–	948.72	–	948.72
	Received	31/03/16	–	–	1,037.49	–	1,037.49
e)	Remuneration to Key	31/03/17	–	–	–	233.04	233.04
	Managerial Personnel	31/03/16	–	–	–	227.95	227.95
f)	Income from leasing or	31/03/17	–	–	1.08	–	1.08
	hire purchase agreement	31/03/16	–	–	1.08	–	1.08
g)	Purchase of Fixed Assets	31/03/17	–	–	10.44	–	10.44
		31/03/16	–	–	7.55	–	7.55
h)	Investment in shares as	31/03/17	–	3997.28	4,726.02	–	8,723.30
	on	31/03/16	–	997.28	4,728.52	–	5,725.80
i)	Loans given as on	31/03/17	–	–	780.00	–	780.00
		31/03/16	–	–	180.00	–	180.00
j)	Dividend Income	31/03/17	–	–	1,777.54	–	1,777.54
		31/03/16	–	–	1,116.89	–	1,116.89
k)	Dividend Paid	31/03/17	3,522.65	–	–	–	3,522.65
		31/03/16	3,170.38	–	–	–	3,170.38
l)	Interest Income	31/03/17	–	–	207.84	–	207.84
		31/03/16	–	–	178.95	–	178.95
m)	Amount received on	31/03/17	7.91	–	107.17	–	115.08
	a/c. of salaries, etc. of	31/03/16	7.62	–	73.09	–	80.71
	Employees deputed or otherwise						
n)	Net outstanding	31/03/17	8.04	80.21	1,854.94	–	1,943.19
	recoverable	31/03/16	1.25	549.20	1,297.90	–	1,848.35
o)	Net outstanding payable	31/03/17	–	–	418.54	–	418.54
		31/03/16	–	–	395.08	–	395.08
p)	Provision for advances/	31/03/17	–	–	5,458.33	–	5,458.33
	investments	31/03/16	–	–	5,294.72	–	5,294.72
q)	Share of margin towards	31/03/17	–	–	25.60	–	25.60
	business operation	31/03/16	–	–	2.52	–	2.52

40.21 **Segment Reporting**

Information about business segment for the year ended 31st March, 2017 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.

40.22 **Earnings per Share**

i. Earnings per share of the company has been calculated considering the Profit after Taxation of ₹. 17041.89 lakhs (₹. 16435.01 lakhs) as the numerator.

ii. The weighted average number of equity shares used as denominator for calculation of basic and diluted earnings per share is 11,40,02,564 (11,40,02,564) and face value per share is ₹. 10.

iii. The nominal value of shares for calculation of basic and diluted earnings per share is ₹.11400.25 lakhs (₹. 11400.25 lakhs) and the earnings per share for the year on the above mentioned basis comes to ₹. 14.95 (₹. 14.42).

40.23 **Disclosure of Interests in Joint Venture and Associate Companies**

	Proportion of Shareholding	**Country of Incorporation**
Name of Joint Venture Company		
Balmer Lawrie Van Leer Ltd.	48%	India
Transafe Services Ltd.	50%	India
Name of Associate Company		
Balmer Lawrie (UAE) Llc.	49%	United Arab Emirates
Avi Oil India (P) Ltd.	25%	India

Balmer Lawrie (UAE) LLC, Avi Oil India (P) Ltd. are classified as associate on the basis of the shareholding pattern which leads to significant influence over these companies by the Company. Further, in 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 ₹. 359.60 lakhs (₹. 1,695.58 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.

40.24 Cost of Services is comprised of : ₹./Lakhs

	2016-17	2015-16
Air / Rail travel costs	**1,124.58**	1,140.69
Air / Ocean freight	**26,399.52**	22,745.56
Transportation / Handling	**8,228.36**	8,339.04
Other Service Charges	**7,573.19**	8,754.94
	43,325.65	**40,980.23**

40.25 **Capital Work in Progress as at the Balance Sheet date is comprised of :** ₹./Lakhs

Asset Classification (*)	**As on 31.03.2017**	As on 31.03.2016
Leasehold Land	**3.79**	3.79
Building	**944.51**	18.45
Plant & Machinery	**936.89**	389.84
Electrical Installation & Equipment	**168.06**	9.37
Furniture & Fittings	**159.65**	5.21
Typewriters, Accounting Machine & Off. Equipment	**114.95**	298.89
Misc. Equipment	**3.45**	–
	2331.30	**725.55**

(*) Subject to final allocation / adjustment at the time of capitalization.

40.26 Miscellaneous Expenses shown under "Other Expenses" (Note no. 35) do not include any item of expenditure which exceeds 1% of the total revenue.

40.27 (a) Certain fixed deposits with banks amounting to ₹. 7317.64 lakhs (₹. 4,600 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 31.3.2017.

(b) Certain fixed deposits amounting to ₹. 69.70 lakhs (₹. 63.78 lakhs) are pledged with a bank against guarantees availed from the said bank.

(c) Fixed Deposit with bank amounting to ₹ 0.79 lakhs (₹. 1.37 lakhs) are lodged with certain authorities as security.

40.28 **Details of Other Payables (Note no. 23)** ₹./Lakhs

	2016-17	2015-16
Creditor for Expenses	**7,819.32**	6,036.97
Creditor for Capital Expenses	**501.23**	1,256.75
Employee Payables	**1,708.55**	1,485.72
Statutory Payables	**297.90**	314.14
Others	**97.06**	127.91
	10,424.06	**9,221.49**

40.29 Details of Specified Bank Notes (SBN) held and transacted during the period 8th Nov 2016 to 30th December 2016. Figures in Rupees

	SBN's *	**Other Denomination Notes**	**Total**
Closing Cash in hand as on 8.11.2016	28,36,000	6,78,567	35,14,567
(+) Permitted Receipt **	12,12,150	150,60,602	1,62,72,752
(-) Permitted Payments	97,000	58,05,164	59,02,164
(-)Amount Deposited in Bank	39,51,150	8,62,29,36	1,25,74,086
Closing Cash as on 30.12.2016	–	13,11,069	13,11,069

* for the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs No S.O.3407 (E), dt 8th November 2016.

** Amount received from employees towards imprest / advances/ claims settled.

40.30 Balmer Lawrie Hind Terminals Pvt. Ltd. ["BLHTPL"], a joint venture company had gone for voluntary winding-up by its members. Last final accounts of BLHTPL was drawn for a period of 9 months from 1st April 2015 to 31st Dec'2015, which has been audited by their Statutory Auditors. Based on the audited accounts, the Directors of BLHTPL have given Declaration of Solvency and recommended for winding-up, which was thereafter approved by BLHTPL's shareholders on 11th Feb'2016. Consequently, BLHTPL was treated as a Company in liquidation, Subsequently vide order of H'onble High Court of Madras dated 20th October 2016, the Company stands dissolved. Balmer Lawrie received ₹ 12.51 lakhs as final payment towards their investment in the same.

40.31 (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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu	**Shyam Sundar Khuntia**	**Manjusha Bhatnagar** **D Sothi Selvam** **K Swaminathan** **Indrani Kaushal** **Atreyee Borooah Thekedath**	**Kavita Bhavsar**
Chairman & Managing Director	Director (Finance) & Chief Financial Officer	Directors	Secretary

PART - I

ANNEXURE - A

Statement of Disputed Dues as on 31st March, 2017
(Not provided for in the accounts)

Name of the Statute	Nature of the Dues	Amount (₹/Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2016-17	2015-16		
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
		0.80	0.80	Asstt yr 2009/10	Dy. Commissioner, Mumbai
		52.25	52.25	Asst yr 2007/08	Jt. Commissioner, Mumbai
		61.55	61.55	Asst yr 2010/11	Jt. Commissioner, Mumbai
		15.65	-	Asstt Yr 2011/12	Jt Comm., Mumbai
		177.96	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
		61.00	-	Asst yr 2016-17	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	2.72	Asstt Yr 2009/10	Jt. Commissioner, Mumbai
		109.56	-	Asst yr 2011-12	Jt. Commissioner, 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 (₹/Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2016-17	2015-16		
		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	W. B. Appellate & Revision Board
		137.55	137.55	Asst Yr 2008/09	- do -
		17.68	-	Vat Asst. 2013-14	W. B. Appellate & Revision Board
		98.11	-	CST Asst. 2013-14	- do -
		-	80.37	Vat Asst. 2012-13	- do -
		8.32	513.19	CST Asst. 2012-13	- do -
		272.08	272.08	CST Asst. 2011-12	- do -
		10.34	10.34	Asst Yr 2007/08	Jt. Commission Sales Tax Appl Mumbai
		42.81	42.81	Asst Yr 2009/10	- do -
		526.76	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	**3,081.09**	**3,364.33**		
Central Excise Act	**Excise Duty**	-	91.16	October, 2000	High Court, Mathura
		1,260.90	1,213.68	Asst. Year 1997-98	Appelate Tribunal, Kolkata
		16.31	16.31	Feb., 2004	Appelate Tribunal, Kolkata
		47.00	47.00	04/10/2002	- do -
		-	1.92	2006/07	Commissioner (Appeal), Mumbai
		15.63	15.63	Asst. Year 2006-07 to 2009-10	Addl. Commissioner (CE)
		0.37	0.37	Asst. Year 2011-12	Dy. Commissioner (CE)
		0.69	0.69	Asst. Year 2010-11	Commissioner (CE)
		15.74	-	Asst. Year July'13 - Dec.'15	Comm (Appeals), Mumbai
		4.87	4.87	March, 2011	Comm (Appeals), Mumbai
		2.46	2.46	Asst. Year 2005-06 to 2009-10	- do -
		15.61	15.01	March, 2002	Asstt Commissioner, Mumbai
		-	81.59	2008-09	Commissioner (Appeal), Mumbai
		25.95	-	2011-12	Commissioner (Appeal), Mumbai

Name of the Statute	Nature of the Dues	Amount (₹/Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2016-17	2015-16		
		-	3.13	2004-05	Commissioner (Appeal), Mumbai
		218.03	218.03	Asst. Year 2002-03	CESTAT
		99.29	99.29	Asst. Year 2003-04	- do -
		9.07	9.07	Asst. Year 2006-07	- do -
		1.42	1.42	Asst. Year 1995-96	Asst. Commissioner
		12.18	12.18	Asst. Year 1995-96	- do -
		9.97	9.97	Asst. Year 1995-96	- do -
		1.62	1.62	Asst. Year 2011-12	Comm. (Appeal)
		1.09	1.09	Asst. Year 1995-96	Asst. Commissioner
	SUB TOTAL	**1,758.19**	**1,846.48**		
	Cess	110.16	105.23	Asstt Yr 1999/00	High Court, Mumbai
		91.32	87.19	Asstt Yr 2000/01	High Court, Mumbai
	SUB TOTAL	**201.48**	**192.41**		
Service Tax Act	**Service Tax**	1.21	1.14	Oct 13 to Dec 13	Asst.Commisioner
					Central Excise (Adjn), Mumbai
		0.40	0.38	Apr-14 to June14	- do -
		0.39	0.37	July 14 to Sept 14	- do -
		1.16	1.09	Oct 14 to Dec 14	- do -
		-	6.14	Oct 13 to Dec 13	- do -
		-	6.49	Oct 14 to Dec 14	- do -
		6.88	-	2013-15	Asst.Commisioner, Mumbai
		1.73	-	2013-15	Asst.Commisioner, Mumbai
		20.13	19.01	Asst. Year 2010-11	Commissioner (Appeal) Service Tax
		3,054.72	3,054.72	Oct., 2002 - March, 2007	CESTAT, West Bengal
		10.17	9.66	April '08 - Dec.'10	Dy. Commissioner (Service Tax) Mumbai
		0.97	0.92	Jan.'12 - Oct.'11	Suppdt.
		2.38	2.25	April'06-Dec.'10	- do -
		3.68	3.48	Nov 11 to Jun 12	Superintendent
		3.70	3.50	Nov 11 to Jun 12	Asstt Commissioner
		-	9.98	Asst. Year 2007-08	CESTAT, Ahmedabad
		10.47	9.78	Asst. Year 2012-13 to 2013-14	Asst.Commisioner, Mumbai
		1.05	0.98	Asst. Year 2011-12	Asst.Commisioner, Mumbai

Name of the Statute	Nature of the Dues	Amount (₹/Lakhs)		Period to which the amount relates	Forum Where dispute is pending
		2016-17	2015-16		
		25.19	25.19	Asstt Yr 2005-06 / 2006-07	Addl. Commissioner (Service Tax), West Bengal
		4.58	145.79	Asst. Year 2009-10 to 2011-12	Commissioner-Service Tax Audit Commissionerate Kolkata
		13.42	12.83	Apr 06 to Feb 10	Asstt Commissioner, Mumbai
		3.01	2.86	Mar 10 to Dec 10	Superintendent, Mumbai
		4.88	4.66	Apr 06 to Dec 10	Asstt Commissioner, Mumbai
		-	347.77	Oct.'09 to March'14	Service Tax Commissionerate Kolkata (by Superitendent-Audit,)
		-	17.38	Mar-09	Commr of Central Excise, Coimbatore
		-	8.34	Asstt Yr 2011-12	- Do -
		46.39	46.39	2004-05 to 2009-10	Appellate Tribunal
		27.97	27.97	2009-10 to 2010-11	1st Appellate Authority, Delhi
		525.21	525.21	2013-14	Central Excise Service Tax Appellate Tribunal, Delhi
		21.58	-	2016-2017	Show cause letter issued from Commissioner Office
		4.53	4.28	July 12 to Mar 13	Asstt Commissioner, Mumbai
		-	5.04	July 12 to Mar 13	Asstt Commissioner, Mumbai
		3.93	3.70	Apr 13 to Sep 13	Asstt Commissioner, Mumbai
		1,364.63	-	Asst. Year 2010-11 to 2014-15	Commissioner order CHN dated 01.03.2017
		716.14	-	Apr 08 to March'09	CESTAT, MUMBAI
		67.62	-	2010-11 to 2011-12	CESTAT, HYDERABAD
		27.71	26.16	Oct 07 to Mar 13	Commissioner, Mumbai
	SUB TOTAL	**5,975.84**	**4,333.46**		
Income Tax Act	**Income Tax**	447.23	447.23	2011-12	CIT (Appeals), Kolkata
		447.23	**447.23**		
Provident Fund Act	**Provident Fund**	1.57	1.57	31/08/2004	EPF Appllate Tribunal, Delhi
		1.57	**1.57**		
	GRAND TOTAL	**11,465.40**	**10,185.49**		

Note No. 41

SEGMENT REVENUE

₹./Lakhs

	For the year ended 31 March 2017			For the year ended 31 March 2016		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	**56,635**	**1,739**	**54,897**	53,176	1,554	51,622
Logistics	**56,620**	**248**	**56,372**	53,823	803	53,020
Travel & Vacations	**16,304**	**83**	**16,221**	16,515	407	16,109
Greases & Lubricants	**44,897**	**112**	**44,785**	41,992	82	41,910
Others	**10,646**	**112**	**10,533**	8,978	78	8,900
Total Segment Revenue	**1,85,101**	**2,293**	**1,82,808**	**1,74,483**	**2,923**	**1,71,560**

Segment Assets

	As at 31 March 2017				As at 31 March 2016				As at 31 March 2015			
	Segment assets	Invest-ment in associates and joint ventures	Additions to non-cur-rent assets	Segment assets	Segment assets	Invest-ment in associates and joint ventures	Addi-tions to non-cur-rent assets	Segment assets	Segment assets	Invest-ment in associates and joint ventures	Additions to non-cur-rent assets	Segment assets
Industrial Packaging	**30,364**	**–**	**–**	**30,364**	26,423	–	–	26,423	28,872	–	–	28,872
Logistics	**33,722**	**–**	**–**	**33,722**	27,937	–	–	27,937	23,270	–	–	23,270
Travel & Vacations	**22,805**	**–**	**–**	**22,805**	24,017	–	–	24,017	18,595	–	–	18,595
Greases & Lubricants	**21,577**	**–**	**–**	**21,577**	21,199	–	–	21,199	19,961	–	–	19,961
Others	**5,912**	**–**	**–**	**5,912**	5,063	–	–	5,063	6,265	–	–	6,265
Total Segment Assets	**1,14,379**	**–**	**–**	**1,14,379**	1,04,638	–	–	1,04,638	96,963	–	–	96,963
Unallocated												
Deferred tax assets	**802**	**–**	**–**	**802**	496	–	–	496	–	–	–	–
Investments	**8,738**	**–**	**–**	**8,738**	5,750	–	–	5,750	5,740	–	–	5,740
Derivative financial instruments	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Other Assets	**55,434**	**–**	**–**	**55,434**	48,408	–	–	48,408	42,094	–	–	42,094
Total assets as per the Balance Sheet	**1,79,352**	**–**	**–**	**1,79,352**	1,59,292	–	–	1,59,292	1,44,797	–	–	1,44,797

Segment Liabilities

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Industrial Packaging	**6,991**	6,116	6,910
Logistics	**15,214**	12,859	10,573
Travel & Vacations	**10,399**	7,833	7,250
Greases & Lubricants	**5,901**	5,801	4,999
Others	**1,952**	1,528	2,172
Total Segment Liabilities	**40,457**	34,137	31,904
Intersegment eliminations	**–**	–	–
Unallocated			
Deferred tax liabilities	**–**	–	144
Current tax liabilities	**4,575**	4,061	5,024
Current borrowings	**–**	–	–
Non current borrowings	**–**	–	–
Derivative financial instruments	**–**	–	–
Other Liabilities	**17,721**	14,599	11,532
Total assets as per the Balance Sheet	**62,753**	52,797	48,604

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 2017		31 March 2016		31 March 2015	
	FVTPL	Amortised cost*	FVTPL	Amortised cost*	FVTPL	Amortised cost*
Financial assets						
Equity instruments**	**14**	**–**	27	–	14	–
Trade receivables	**–**	**28,161**	–	23,033	–	21,581
Other receivables	**–**	**18,035**	–	19,077	–	14,941
Loans	**–**	**924**	–	1,358	–	1,028
Accrued income	**–**	**1,901**	–	1,462	–	1,358
Security deposit	**–**	**819**	–	1,023	–	1,214
Cash and cash equivalents	**–**	**3,106**	–	4,023	–	2,782
Other bank balances	**–**	**47,759**	–	40,347	–	34,301
Total	**14**	**1,00,705**	**27**	**90,322**	**14**	**77,206**
Financial liabilities						
Trade payable	**–**	**30,712**	–	22,429	–	21,771
Security deposit	**–**	**2,431**	–	2,074	–	2,017
Other financial liabilities	**–**	**10,424**	–	9,221	–	6,918
Derivative financial liabilities	**–**	**–**	**–**	**–**	**–**	**–**
Total	**–**	**43,567**	**–**	**33,725**	**–**	**30,706**

*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 ₹ 8723.30 (31 March 2016 ₹ 5723.30 and 01 April 2015 ₹ 5725.80) 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, except BLHTPL for which fair valued method has been adopted.

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 ₹ 46195.32 lakhs as at March 31, 2017 and ₹ 42109.20 lakhs as at March 31, 2016 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 montitoring 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 employeees 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 Governemnt 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 is an unleveraged entity, with no long term borrowings or debt.

"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 no borrowings on which interest is payable.

2) Foreign currency risk

The Company is exposed to foreign exchange risk arising from net foreign currency payables, primarily with respect to the US Dollar, GBP and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company as per its overall strategy uses forward contracts to mitigate its risks associated with fluctuations in foreign currency and interest rates on borrowings and such contracts are not designated as hedges under Ind AS 109. The Company does not use forward contracts for speculative purposes.

The Company is also exposed to foreign exchange risk arising from net foreign currency receivables on account of dividend and other fees from its foreign subsidiaries and associates, primarily with respect to the US Dollar and AED.

The Company, as a matter of policy decided by the Board of Directors, does not enter into derivative contracts.

Foreign currency risk exposure :

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 2017	31 March 2016	1 April 2015
Net payables			
USD	**23,56,883**	33,33,973	14,23,185
Euro	**25,53,746**	19,49,137	13,41,131
GBP	**7,56,362**	11,96,043	4,34,122
Forward Contracts			
GBP	**23,799**	–	–
Euro	–	–	1,87,000
Receivables			
AED	**90,99,870**	57,36,295	71,70,016

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 2017	31 March 2016	1 April 2015
Net payables			
USD	**1,539**	2,226	918
Euro	**1,788**	1,477	935
GBP	**619**	1,150	414
Receivables			
USD	–	–	–
AED	**1,565**	1,010	1,167

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 2017	31 March 2016
Increase by 50 Basis points *		
USD	**76.95**	111.30
Euro	**89.42**	73.85
GBP	**30.93**	57.50
AED	**78.26**	50.48
Decrease by 50 basis points *		
USD	**(76.95)**	(111.30)
Euro	**(89.42)**	(73.85)
GBP	**(30.93)**	(57.50)
AED	**(78.26)**	(50.48)

* *Holding all other variables constant*

Capital management

The Company' s capital management objectives are :
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The company does not have any debt outstanding on any of the Balance sheet dates covered in this report.

₹./Lakhs

Particulars	31 March 2017	31 March 2016	1 April 2015
Total equity	**1,16,599**	1,06,494	96,193
Total assets	**1,79,352**	1,59,291	1,44,797
Equity ratio	**65%**	67%	66%

(b) **Dividends**

Particulars	31 March 2017	31 March 2016
(i) Equity shares		
Final dividend for the year ended 31 March 2016 of ₹ 20 (31 March 2015 - ₹ 18) per fully paid share (Net of Dividend distribution tax)	**5,700.13**	5,130.12
(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 ₹ 7 (31 March 2016 ₹ 20) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	**7,980.18**	5,700.13

Note No. 43

DISCLOSURES IN NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS applicable as at 31st March, 2017.

The accounting policies set out in Note no 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows are set out in the following tables and notes.

Exemptions and exceptions availed

The applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS is given below.

A. Ind AS optional exemptions

Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Ind AS 40- Investment Property.

Accordingly, the Company has elected to measure all of its Property, Plant and Equipment, Investment Properties and Intangible Assets at their previous GAAP carrying value.

Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption of making this assessment on the date of transition to Ind AS for such contracts/ arrangements.

Investment in subsidiaries, joint ventures and associates

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its subsidiaries, joint ventures and associate companies as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly the company has elected to measure the investment in subsidiaries, joint ventures and associates at previous GAAP carrying amount.

B. Ind AS mandatory exemptions

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

2. Classification and measurement of financial assets and liabilities

The classification and measurement of financial instruments will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition to Ind AS.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to apply retrospectively the effective interest rate method requirements, then, fair value of financial assets at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

The company has applied the classification and measurement provisions as per Ind AS 109 as on the date of transition.

3. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

C1. Reconciliation of total equity as at 31 March 2016 and 1 April 2015

₹./Lakhs

	Notes to first time adoption	31 March 2016	1 April 2015
Total equity (shareholder's funds) as per previous GAAP		99,733.38	90,306.16
Adjustments :			
Reversal of proposed dividend and Tax on dividend	B6	6,892.82	6,203.59
Reversal of revenue for Incomplete tours	B4	(3.90)	(1.03)
Depreciation reversal on Goodwill & Leasehold land	B2/B12	319.32	–
Increase in rent expenses on leasehold land	B12	(135.67)	–
Amortisation impact of Long term loans, advances & liabilities	B3/B13	9.71	–
Actuarial Gain/(losses) on valuation of Defined benefit employee plans	B9	377.16	–
Deferred tax impact on above adjustments and additional deferred tax for IGAAP figures	B8	(452.31)	(315.64)
Other Comprehensive income	B9	(246.63)	–
Total adjustments		**6,760.50**	**5,886.92**
Total equity as per Ind AS		**1,06,493.88**	**96,193.08**

C2. Reconciliation of total comprehensive income for the year ended 31 March 2016

₹./Lakhs

	Notes to first time adoption	31 March 2016
Profit after tax as per previous GAAP		16,320.04
Adjustments in Statement of Profit and Loss:		
Depreciation reversal on Goodwill	B2	183.65
Depreciation reversal on Leasehold land	B12	135.67
Rent Expenses on account of Leasehold Land	B12	(135.67)
Reversal of Revenue on account of consideration received on others account	B4	(1,11,493.62)
Reversal of cost on account of consideration paid on others account	B4	1,11,493.62
Reversal of Revenue for Incomplete tours	B4	(22.83)
Reversal of Cost for Incomplete tours	B4	18.99
Impact of actuarial gain/loss on defined benefit employee plans	B9	377.15
Income from amortisation of long term Loans and advances	B3 /B13	35.88
Expenses from amortisation of long term Loans and advances	B3/B13	(35.68)
Fair value gain on investment	B14	9.60
Additional Deferred tax on previous GAAP figures	B8	(450.91)
Deferred tax impact on above adjustments	B8	(0.87)
Adjustments in Other Comprehensive Income:		
Impact of actuarial gain/loss on defined benefit employee plans	B9	(377.16)
Deferred tax impact on above adjustments in OCI	B9	130.52
Total adjustments		**(131.66)**
Total comprehensive income for the year ended 31 March 2016		**16,188.38**

C3. Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	10,727.00	2,519.72	13,246.72
Net cash flow from investing activities	(2,899.00)	(2,472.03)	(5,371.03)
Net cash flow from financing activities	(6,385.00)	(250.04)	(6,635.04)
Net increase in cash and cash equivalents	1,443.00	(202.36)	1,240.64
Cash and cash equivalents as at 1 April 2015	34,685.56	(31,903.19)	2,782.37
Cash and cash equivalents as at 31 March 2016	36,128.56	(32,105.55)	4,023.01

Note B1: Property Plant and Equipment

Under the previous GAAP, the upfront payment on account of leasehold land was recognised under property, plant and equipment as per the disclosure requirements of Schedule III. Under Ind AS, leasehold land with lease tenure upto thirty years disclosed under property, plant and equipment is reclassified to other assets (prepaid rent). As a result of this change, the balance of property, plant and equipment has decreased by ₹ 3162.95 Lakhs as at 31st March, 2016 (₹ 3298.61 Lakhs as at 1st April,2015) and consequently, other current and non-current assets have increased by ₹ 135.67 and ₹ 3027.28 Lakhs respectively as at 31st March, 2016 (₹ 135.67 Lakhs and ₹ 3162.95 Lakhs respectively as at 1st April, 2015).

Under Ind AS, 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. As a result of this change, the balance of Property, plant and equipment has decreased and Investment Properties have increased by ₹ 95.25 Lakhs as at 31st March, 2016 (₹ 97.79 Lakhs as at 1st April, 2015).

Note B2 : Intangible Assets - Goodwill

Under Ind AS 103, goodwill is not written down unless impairment is evident. Goodwill needs to be reviewed annually for impairment using principles of Ind AS 36 - Impairment. Accordingly the amortisation of goodwill during the financial year ending on 31st March, 2016 for ₹ 183.65 Lakhs included under depreciation has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

Note B3 : Loans given to Employees

Under the previous GAAP, loan to employees was measured at cost. Under the Ind AS, these loans are considered as debt instruments and falls under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value (fair value) shall be treated as prepaid employee cost resulting in decrease of loans by ₹ 138.75 Lakhs as at 31st March, 2016 (₹ 150.03 Lakhs as at 1st April, 2015) and increase in other current and non-current assets by ₹ 20.22 Lakhs and ₹ 118.53 Lakhs respectively as at 31st March, 2016 (₹ 19.41 Lakhs and ₹ 130.62 Lakhs respectively as at 1st April, 2015).

Note B4 : Revenue recognition

Under Ind AS, where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account for services rendered in its Ticketing and Logistics businesses. This has resulted in reduction of turnover from services rendered and corresponding decrease in cost of services rendered of the company by ₹ 111493.62 Lakhs during the financial year 2015-16.

The company recognised its revenue relating to sale of tour packages on the basis of certainty of collection of the amount. In previous GAAP, revenue regarding the sale of service could be recognised on the basis of either Completed method or Percentage of completion method. In Ind AS, revenue regarding sale of service can only be recognised on the basis of Percentage of completion method and hence revenue relating to incomplete tours have been reversed. This has resulted in reduction of turnover from services rendered and corresponding decrease in cost of services rendered of the company by ₹ 38.61 Lakhs and ₹ 33.67 Lakhs respectively during the year ended 31st March, 2016 (₹ 15.72 Lakhs and ₹ 14.68 Lakhs respectively as at 1st April, 2015). The same has been reversed in the subsequent years.

Note B5 : Trade Receivable and other receivables

Consequent to the change in revenue recognition under Ind AS as stated above, the receivables from the customers have also been reclassified from Trade receivables to Other receivables under other financial assets. As a result of this change, the balance of trade receivables has decreased and other receivables have increased by ₹ 19074.50 Lakhs as at 31st March, 2016 (₹ 14932.42 Lakhs as at 1st April, 2015).

Note B6 : Proposed Dividend

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend including dividend distribution tax of ₹ 6892.82 Lakhs as at 31st March, 2016 (₹ 6203.58 Lakhs as at 1st April, 2015) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

Note B7 : Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31st March 2016 by ₹ 12105.14 Lakhs. There is no impact on total equity and profit.

Note B8 : Deferred Tax

As per Ind AS, deferred tax has been recognised on the adjustments made on transition to Ind AS. The impact of transition adjustments together with using balance sheet approach as per Ind AS against profit and loss approach in the previous GAAP for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts on the profit and loss for the subsequent periods.

Note B9 : Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' represents re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Actuarial gains/ losses on defined benefit plans for employees was being recognised in statement of profit and loss under IGAAP. This is now being recognised in other comprehensive income net of deferred tax. The net impact for the year ending 31st March 2016 is ₹ 246.63 Lakhs.

Note B10 : Other Equity

Other equity has been adjusted consequent to the above Ind AS transition adjustments.

Note B11 : Cash Credit (Short Term Borrowings)

Under Ind AS, cash credit (bank overdrafts) repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, cash credit (bank overdrafts) were considered as part of borrowings and movements in cash credit (bank overdrafts) were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by as at 31st March 2016 (as at 1st April 2015) and cash flows from financing activities for the year ended 31st March 2016 have also reduced by to the effect of the movements in cash credit (bank overdrafts).

Note B12 : Depreciation

As explained in note B1, Leasehold land has been de-capitalised and treated as prepaid rent under Ind AS. The prepaid rent is being charged to statement of profit and loss over the balance lease period as rent expenses. This has resulted in increase in rent expenses on this account by ₹ 135.67 Lakhs during 2015-16 with corresponding decrease in depreciation expenses on leasehold land.

Note B13 : Other Long Term Loans and Advances

Items like security deposits, retention money and other financial items of long term nature have been treated under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value (fair value) are treated as deferred cost and deferred gains for assets and liabilities respectively. The deferred cost/ deferred gains are being charged to statement of profit and loss over the life of the long term assets and liabilities on straight line basis.

This has resulted in decrease of long term deposits(assets) by ₹ 33.12 Lakhs as at 31st March, 2016 (₹ 27.23 Lakhs as at 1st April, 2015) and increase in Deferred cost asset - current and non-current by ₹ 6.93 Lakhs and ₹ 26.19 Lakhs respectively as at 31st March, 2016 (₹ 5.46 Lakhs and ₹ 21.77 Lakhs respectively as at 1st April, 2015).

Also, long term deposits (Liabilities) have decreased by ₹ 10.55 Lakhs as at 31st March, 2016 (₹ 17.48 Lakhs as at 1st April, 2015) with corresponding increase in Deferred gain(Liability) - current and non-current by ₹ 9.88 Lakhs and ₹ 0.67 Lakhs respectively as at 31st March, 2016 (₹ 9.45 Lakhs and ₹ 8.03 Lakhs respectively as at 1st April, 2015).

All deposits with statutory authorities, utility departments and the like for which the cash flows cannot be predicted with certainty have been excluded.

Note B14 : Fair value gain on investment

Investment in equity shares of a joint venture which had gone for voluntary winding up has been fair valued at the value which was received from the official liquidator on liquidation.

INFORMATION IN RESPECT OF SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

(Pursuant to Section 129(3) of Companies Act 2013 read with Rule5 of Companies (Accounts) Rules, 2014

Part - A - Subsidiaries

Sl. No.	Particulars	1	2
1.	Name of the subsidiary	**Balmer Lawrie UK Ltd.**	**Visakhapatanam 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 @ ₹ 64.45/USD	INR
4.	Share Capital	18,28,75,457	30,01,00,000
5.	Reserves & surplus	15,61,65,444	(2,01,47,363)
6.	Total assets	34,08,91,131	39,84,44,908
7.	Total Liabilities	18,50,231	11,84,92,436
8.	Investments	12,95,51,525	-
9.	Turnover	31,75,000	-
10.	Profit before taxation/ (Loss)	24,06,821	(53,96,165)
11.	Provision for taxation	4,69,969	-
12.	Profit after taxation/ (Loss)	19,36,851	(53,96,165)
13.	Proposed Dividend	-	-
14.	% of shareholding	100%	100%

Note :

1. Visakhapatanam 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.	31/12/2016	49%
2.	Balmer Lawrie Van Leer Ltd.	31/03/2017	48%
3.	Transafe Services Ltd.	31/03/2017	50%
4.	Avi-Oil India (P) Ltd.	31/03/2017	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	3385.03
3.	Transafe Services Ltd.	11361999	1165.12
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 ₹/Lakhs	Profit / (Loss) for the year ₹/Lakhs	
			Considered in consolidation	Not considered in consolidation
1.	Balmer Lawrie (UAE) Llc.	18,956.86		6088.48
2.	Balmer Lawrie Van Leer Ltd.	5,043.65		850.61
3.	Transafe Services Ltd.	(3,685.99)		(1078.50)
4.	Avi-Oil India (P) Ltd.	1,276.99		1087.02

Note : As per Ind AS 28 -Investments in Associates and Ind AS 31 - Interests in Joint Ventures, the company has followed the equity method of accounting for all its Joint ventures and associate companies. The net share of net worth including Profit/ Loss during the year has been adjusted to the Investment value with corresponding increase/ Decrease in Equity. In case of Transafe Services Ltd, 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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Manjusha Bhatnagar
D Sothi Selvam
K Swaminathan
Indrani Kaushal
Atreyee Borooah Thekedath
Directors

Kavita Bhavsar
Secretary

INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF BALMER LAWRIE & CO. LIMITED

Report on the consolidated Ind 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, 2017, 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, 2017;

(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

We draw attention to the following matters in the Notes to the consolidated Ind AS financial statements:

a) One of the Joint Venture Company M/s Transafe Services Limited, where Company holds 50% stake, accumulated losses has exceeded its net worth by Rs.8804.26 lakh as on the Balance sheet date and its application for revival under Sick Companies Act 1985 made to BIFR (Case No. 83/2013) is pending as stated in Note. No. 40.8 These conditions indicate existence of uncertainty that may cast significant doubt about its ability to continue as going concern. However the financial statements of the Company have been prepared on a going concern basis.

b) Note No.40.13 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.

Our opinion is not modified in respect on above matters.

Other Matter

We did not audit the consolidated Ind AS financial statements of two (2) subsidiaries, and six (6) jointly controlled entities, whose financial statements reflect total assets of Rs. 23639.61 lakh as at 31st March 2017 and total revenue of Rs. 32.11 lakh, and net cash inflows amounting to Rs.(-)8.00 lakh 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, 2017 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.

iv) The Holding company and jointly controlled entities incorporated in India have provided requisite disclosure in its financial statement as to holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company – Refer Note 40.14 to the financial statements;

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. 303114E

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

ANNEXURE – 'A' TO AUDITOR'S 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 programme 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 there under.

vi) We have broadly reviewed the cost records 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 records with a view to determine whether they are accurate or complete. However, the above requirements are not applicable in case of Balmer Lawrie Hind Terminals Pvt. Ltd. and 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 and other statutory dues applicable to the respective entities with appropriate authorities.

b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax, Cess and other statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

c) The particulars of dues of Income Tax, Sales Tax, Service tax, Excise Duty, Value Added Tax and Cess as at 31st March, 2017 aggregating to Rs.15106.53 lakh which have not been deposited on account of dispute, as mentioned in Note No. 40.4(a) to the Accounts showing the amounts involved and the Forum where dispute is pending.

viii) One of the Joint Venture Company M/s Transafe Services Limited has defaulted in repayment of dues to certain Banks amounting to Rs. 3764.96 lakh as at the Balance Sheet date as stated in Note No. 40.9. 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 explanation 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 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.

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. 303114E

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

ANNEXURE – 'B' TO THE 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")

"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 2017 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 2017 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 control 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 2017, 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".

For **DUTTA SARKAR & CO.**
Chartered Accountants
Firm Registration No. 303114E

(Partha Sarathi De)
Partner
Membership No. - 016727

Dated : 29.05.2017
Place : Kolkata

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 2017.

The preparation of consolidated financial statements of Balmer Lawrie & Company Limited, Kolkata for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated -29.05. 2017:

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 2017. 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

(Praveer Kumar)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I, Kolkata

Place: Kolkata.
Date : 26.07.2017

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 31.03.2017.

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) Limited	Associate	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
6.	Balmer Lawrie Hind Terminals Private Limited	Joint venture	Private Company
7.	PT Balmer Lawrie Indonesia	Joint venture	Foreign Company

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017
(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Note No	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
ASSETS				
(1) **Non-Current Assets**				
(a) Property, Plant and Equipment	2	**38,293.08**	37,931.85	35,920.73
(b) Capital work-in-progress		**6,265.69**	1,098.86	529.64
(c) Investment Property	3	**61.88**	95.25	97.79
(d) Goodwill	4	**689.32**	689.32	689.32
(e) Other Intangible assets	4	**629.60**	720.63	678.01
(f) Intangible assets under development		**–**	–	17.25
(g) Financial Assets				
(i) Investments	5	**27,134.19**	24,725.37	22,331.93
(ii) Loans	6	**485.28**	507.10	333.02
(iii) Others	7	**501.09**	351.78	346.61
(h) Deferred tax Assets (net)	8	**–**	–	–
(i) Other Non Current assets	9	**3,715.16**	3,600.62	3,840.89
Total Non Current Assets		**77,775.29**	69,720.78	64,785.19
(2) **Current Assets**				
(a) Inventories	10	**15,169.64**	11,976.49	13,010.37
(b) Financial Assets				
(i) Trade Receivables	11	**28,160.55**	23,032.54	21,580.82
(ii) Cash & cash equivalents	12	**5,224.74**	6,149.81	4,832.75
(iii) Other Bank Balances	13	**47,758.91**	40,347.37	34,301.31
(iv) Loans	14	**386.54**	368.98	498.89
(v) Others	15	**20,767.01**	21,571.73	17,529.86
(c) Other Current Assets	16	**7,749.13**	6,651.17	6,820.54
Total Current Assets		**1,25,216.52**	1,10,098.09	98,574.54
Total Assets		**2,02,991.81**	1,79,818.87	1,63,359.73
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	17	**11,400.25**	2,850.06	2,850.06
(b) Other Equity	18	**1,24,484.89**	1,21,023.99	1,08,781.57
Total Equity		**1,35,885.14**	1,23,874.05	1,11,631.63
LIABILITIES				
(1) **Non-Current Liabilities**				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade Payables	19	**–**	–	0.02
(iii) Other Financial Liabilities	19	**21.85**	22.70	113.91
(b) Provisions	20	**5,579.30**	6,542.40	6,006.91
(c) Deferred Tax Liabilities (net)	8	**3,202.21**	3,076.13	3,256.11
(d) Other Non Current liabilities	21	**4.12**	4.22	8.03
Total Non Current Liabilities		**8,807.48**	9,645.45	9,384.98
(2) **Current Liabilities**				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade Payables	22	**30,711.73**	22,429.25	21,770.90
(iii) Other Financial Liabilities	23	**14,147.99**	11,541.30	9,018.98
(b) Other Current liabilities	24	**6,874.02**	7,474.39	5,565.90
(c) Provisions	25	**1,990.88**	793.17	963.83
(d) Current Tax liabilities (net)	26	**4,574.57**	4,061.26	5,023.51
Total Current Liabilities		**58,299.19**	46,299.37	42,343.12
Total Equity and Liabilities		**2,02,991.81**	1,79,818.87	1,63,359.73

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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Manjusha Bhatnagar
D Sothi Selvam
K Swaminathan
Indrani Kaushal
Atreyee Borooah Thekedath
Directors

Kavita Bhavsar
Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Note No	Year ended 31 March 2017	Year ended 31 March 2016
Revenue	27	**1,82,808.25**	1,71,560.04
Revenue from operations	28	**7,341.34**	6,304.43
Other income		**1,90,149.59**	1,77,864.47
Expenses			
Cost of materials consumed & Services rendered	29	**1,06,940.86**	97,721.82
Purchase of stock-in-trade	30	**1,148.67**	358.05
Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	**(38.44)**	(77.89)
Excise Duty on sales		**12,171.84**	12,105.14
Employee Benefits Expenses	32	**19,952.76**	19,919.06
Finance costs	33	**453.70**	455.01
Depreciation and amortisation expense	34	**2,587.07**	2,402.08
Other expenses	35	**21,551.85**	20,988.99
		1,64,768.31	1,53,872.27
Profit before exceptional items and Tax		**25,381.28**	23,992.21
Exceptional Items		**–**	–
Profit before Tax	36	**25,381.28**	23,992.21
Tax expense			
Current Tax		**8,855.75**	7,783.43
Deferred Tax		**(481.99)**	(193.22)
Profit for the period from Continuing Operations		**17,007.52**	16,402.00
Profit/(Loss) from Discontinued Operations		**–**	–
Tax expense of Discontinued Operations		**–**	–
Profit/(Loss) from Discontinued Operations after Tax		**–**	–
Profit/(Loss) for the period		**17,007.52**	16,402.00
Other Comprehensive Income	37		
A i) Items that will not be reclassified to profit and loss		**101.36**	(388.32)
ii) Income tax relating to items that will not be reclassified to profit or loss		**(55.71)**	126.69
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		**45.65**	(261.63)
Total Comprehensive Income for the year		**17,053.17**	16,140.37
Earnings per equity share	38		
Basic (₹)		**14.92**	14.39
Diluted (₹)		**14.92**	14.39

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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May , 2017

Prabal Basu	Shyam Sundar Khuntia	Manjusha Bhatnagar D Sothi Selvam K Swaminathan Indrani Kaushal Atreyee Borooah Thekedath	Kavita Bhavsar
Chairman & Managing Director	Director (Finance) & Chief Financial Officer	Directors	Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

(INCLUDING SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES)

(₹ in Lakhs)

Particulars	Note No	Year ended 31 March 2017	Year ended 31 March 2016
Cash flow from operating activities			
Net profit before tax		**25,381**	23,992
Adjustments for:			
Depreciation and amortisation		**2,587**	2,402
Write off/Provision for doubtful trade receivables (Net)		**1,002**	468
Write off/Provision for Inventories (Net)		**30**	85
Other Write off/Provision (Net)		**1**	50
(Gain)/ Loss on sale of fixed assets (Net)		**(2)**	(2)
(Gain)/ Loss on fair valuation of Investments (Net)		**–**	(10)
Interest income		**(3,288)**	(2,891)
Finance costs		**454**	455
Operating cash flows before working capital changes		**26,165**	**24,550**
Changes in operating assets and liabilities			
(Increase)/Decrease in trade receivables		**(6,130)**	(1,920)
(Increase)/Decrease in non current assets		**(300)**	(520)
(Increase)/Decrease in Inventories		**(3,223)**	949
(Increase)/Decrease in other short term financial assets		**786**	(3,646)
(Increase)/Decrease in other current assets		**(1,121)**	146
Increase/(Decrease) in trade payables		**8,282**	567
Increase/(Decrease) in long term provisions		**(963)**	535
Increase/(Decrease) in short term provisions		**1,243**	(432)
Increase/(Decrease) in other liabilities		**2,559**	1,638
Increase/(Decrease) in other current liabilities		**(600)**	1,908
Cash flow generated from operations		**26,697**	23,775
Income taxes paid (net of refunds)		**(8,342)**	**(8,746)**
Net cash flow from operating activities	**A**	**18,355**	**15,030**
Cash flow from investing activities			
Purchase or construction of Property, plant and equipment		**(7,893)**	(3,970)
Proceeds on sale of Property, plant and equipment		**25**	24
Proceeds on sale of Investment		**12**	–
Bank deposits (having original maturity of more than three months) (net)		**(7,389)**	(6,023)
Interest received		**3,288**	2,891
Net cash generated from investing activities	**B**	**(11,957)**	**(7,077)**
Cash flow from financing activities			
Dividend paid (including tax on dividend)		**(6,870)**	(6,180)
Finance cost paid		**(454)**	(455)
Net cash used by financing activities	**C**	**(7,324)**	**(6,635)**
Net cash increase/(decrease) in cash and cash equivalents (A+B+C)		**(925)**	**1,317**
Cash and cash equivalents at the beginning of the year		**6,150**	4,833
Cash and cash equivalents at the end of the year		**5,225**	6,150
Movement in cash balance		**(925)**	**1,317**
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		**31**	80
Balances with banks			
On current accounts		**5,194**	6,069
On deposits with original maturity upto 3 months		**–**	–
		5,225	**6,150**

As per our report attached
For **Dutta Sarkar & Co.**
Chartered Accountants
Firm Registration No. 303114E

CA Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May, 2017

Prabal Basu
Chairman & Managing Director

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Directors

Kavita Bhavsar
Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017
(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	2,850.06	8,550.19	11,400.25

B. Other Equity

	Reserves and Surplus			Foreign Currency translation Reserve	Other Comprehensive Income Reserve	Total
	Share Premium Account	General reserve	Retained earnings			
Balance as at 1 April 2015	3,626.77	38,154.01	67,000.79	–	–	1,08,781.57
Profit for the year	–	–	16,402.00	–	–	16,402.00
Dividends paid	–	–	(5,130.12)	–	–	(5,130.12)
Dividend Tax paid	–	–	(1,073.47)	–	–	(1,073.47)
Transfers	–	3,000.00	(3,000.00)	–	–	–
Retained earnings adjustment	–	–	316.00	–	–	316.00
Remeasurement gain/loss during the year	–	–	(43.58)	2,033.22	(261.63)	1,728.01
Balance as at 31 March 2016	3,626.77	41,154.01	74,471.62	2,033.22	(261.63)	1,21,023.99
Profit for the year	–	–	17,007.52	–	–	17,007.52
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	–	–	2,587.49	–	–	2,587.49
Remeasurement gain/loss during the year	–	–	–	(998.38)	307.28	(691.10)
Balance as at 31 March 2017	**3,626.77**	**35,603.82**	**84,173.80**	**1,034.85**	**45.65**	**1,24,484.89**

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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May, 2017

Prabal Basu
Chairman & Managing Director

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Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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, Logistics 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 exchanges 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 first 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 Company'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 tangible assets is provided on pro-rata basis on the 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 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 for the parent company:

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

In case of Plant & Machinery other than continuous process plant, based on technical review by a Chartered Engineer, useful life is estimated at 25 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 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.

1.5 Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss (FVTPL) which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- financial assets at FVTPL

All financial assets except for those at FVTPL are subject to review for impairment.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

A loss allowance for expected credit losses is recognised on financial assets carried at amortised cost. Expected loss on individually significant receivables are considered for impairment when they are past due and based on Group's historical counterparty default rates and forecast of macro-economic factors. Receivables that are not considered to be individually significant are segmented by reference to the industry and region of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment. The Group has a diversified portfolio of trade receivables from its different segments. Every business segment of the Group has calculated provision using a single loss rate for its receivables using its own historical trends and the nature of its receivables. There are no universal expected loss percentages for the Group as a whole, The Group generally considers its receivables as impaired when they are 3 years past due. Considering the historical trends and market information, the group estimates that the provision computed on its trade receivables is not materially different from the amount computed using expected credit loss method prescribed under Ind AS 109. Since the amount of provision is not material for the Group as a whole, no disclosures have been given in respect of expected credit losses.

Derivative financial instruments are carried at FVTPL.

1.6 Inventories

a) Inventories are valued at lower of cost or net realisable value. For this purpose, the basis of ascertainment of cost of the different types of inventories is as under –

b) Raw materials & trading goods, stores & spare parts and materials for turnkey projects on the basis of weighted average cost.

c) Work-in-progress on the basis of weighted average cost of raw materials and conversion cost upto the relative stage of completion where it can be reliably estimated.

d) Finished goods on the basis of weighted average cost of raw materials, conversion cost and other related costs.

e) Loose Tools are written-off over the economic life except items costing upto ₹ 10000 which are charged off in the year of issue.

1.7 Employee benefits

(i) Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in balance sheet.

(ii) Post-employment obligations

Defined Contribution plans

Provident Fund : the 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 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 is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on 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, including excise though excluding sales taxes, rebates and various discounts.

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 are 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 lacs (₹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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May, 2017

Prabal Basu	**Shyam Sundar Khuntia**	**Manjusha Bhatnagar** **D Sothi Selvam** **K Swaminathan** **Indrani Kaushal** **Atreyee Borooah Thekedath**	**Kavita Bhavsar**
Chairman & Managing Director	Director (Finance) & Chief Financial Officer	Directors	Secretary

Note No. 2

PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Particulars	Land - Freehold	Land - Leasehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles	Total
	Property plant and equipment												
Gross block													
Gross Block 1 April 2015	1,533.56	7,255.34	16,408.66	22,844.97	155.52	3,457.94	1,012.25	2,212.37	1,866.81	734.15	295.88	887.14	58,664.59
Less: Ind AS adjustment 1 April 2015	–	3,717.04	147.58	–	–	–	–	–	–	–	–	–	3,864.62
Gross Block after Ind AS Adj. 1 April 2015	1,533.56	3,538.30	16,261.08	22,844.97	155.52	3,457.94	1,012.25	2,212.37	1,866.81	734.15	295.88	887.14	54,799.97
Accumulated Depreciation 1 April 2015	–	1,046.41	3,204.72	8,948.32	133.80	1,949.53	535.35	1,554.52	1,027.07	262.63	57.55	517.89	19,237.79
Less: IND AS adjustment 1 April 2015	–	418.42	49.79	–	–	–	–	–	–	–	–	–	468.21
Accumulated Depreciation after Ind AS Adjustment	–	627.99	3,154.93	8,948.32	133.80	1,949.53	535.35	1,554.52	1,027.07	262.63	57.55	517.89	18,769.58
Accumulated Impairment 1 April 2015	–	–	64.76	41.43	–	1.09	–	–	2.38	–	–	–	109.66
Deemed cost as at 1 April 2015	1,533.56	2,910.31	13,041.39	13,855.21	21.72	1,507.32	476.90	657.85	837.36	471.52	238.33	369.26	35,920.73
Additions	865.11	291.00	817.99	975.72	–	426.89	177.54	439.87	207.45	35.99	–	35.70	4,273.26
Disposal of assets	–	–	3.18	24.31	–	28.10	10.82	59.54	0.80	–	–	45.79	172.54
Balance as at Mar 31 2016	**2,398.67**	**3,201.31**	**13,856.20**	**14,806.62**	**21.72**	**1,906.11**	**643.62**	**1,038.18**	**1,044.01**	**507.51**	**238.33**	**359.17**	**40,021.45**
Accumulated depreciation													
Balance as at 1 April 2015	–	–	–	–	–	–	–	–	–	–	–	–	–
Depreciation charge for the year	–	62.41	354.66	727.55	15.54	296.98	80.38	322.59	132.25	74.07	20.94	151.95	2,239.32
Disposal of assets	–	–	0.91	23.27	–	25.39	10.14	59.01	0.48	–	–	30.52	149.72
Balance as at Mar 31 2016	–	62.41	353.75	704.29	15.54	271.59	70.24	263.58	131.77	74.07	20.94	121.43	2,089.61
Net block as at Mar 31 2016	**2,398.67**	**3,138.90**	**13,502.45**	**14,102.34**	**6.18**	**1,634.52**	**573.38**	**774.60**	**912.24**	**433.44**	**217.39**	**237.74**	**37,931.85**

Particulars	Land - Freehold	Land - Leasehold	Building & Sidings	Plant & Machinery	Spares for Plant & Machinery	Electrical Installation & Equipment	Furniture & Fittings	Typewriter Accounting Machine and Office Equipment	Tubewell, Tanks and Miscellaneous Equipment	Lab Equipment	Railway Sidings	Vehicles	Total
	Property plant and equipment												
Gross block													
Deemed cost as at 1 April 2016	2,398.67	3,201.31	13,856.20	14,806.62	21.72	1,906.11	643.62	1,038.18	1,044.01	507.51	238.33	359.17	40,021.45
Additions	–	2.50	214.61	982.01	5.88	561.03	68.33	441.28	418.31	28.39	–	9.50	2,731.84
Inter Asset Adjustment	–	–	31.65	–	–	–	–	–	–	–	–	–	31.65
Disposal of assets	–	–	–	16.84	3.35	14.18	10.67	26.00	1.97	–	–	–	73.01
Balance as at Mar 31 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**
Accumulated depreciation													
Balance as at 1 April 2016	–	62.41	353.75	704.29	15.54	271.59	70.24	263.58	131.77	74.07	20.94	121.43	2,089.61
Depreciation charge for the year	–	63.53	377.01	773.57	6.02	328.13	90.69	370.89	144.99	74.63	20.94	145.90	2,396.30
Disposal of assets	–	–	–	14.37	3.35	12.91	9.96	24.61	1.87	–	–	–	67.06
Balance as at Mar 31 2017	**–**	**125.94**	**730.76**	**1,463.49**	**18.21**	**586.81**	**150.97**	**609.86**	**274.89**	**148.70**	**41.88**	**267.33**	**4,418.85**
Net block as at Mar 31 2017	**2,398.67**	**3,077.87**	**13,371.70**	**14,308.30**	**6.04**	**1,866.15**	**550.31**	**843.60**	**1,185.47**	**387.20**	**196.45**	**101.33**	**38,293.08**

Note No. 3

INVESTMENT PROPERTIES

(₹ in lakhs)

Gross carrying amount	
Deemed cost as at 1 April 2015	97.79
Additions	–
Disposals/adjustments	–
Balance as at 31 March 2016	**97.79**
Additions	–
Disposals/adjustments	(31.65)
Balance as at 31 March 2017	**66.14**
Accumulated Depreciation	
At 1 April 2015	–
Depreciation charge for the year	2.54
Disposals/adjustments for the year	–
Balance as at 31 March 2016	**2.54**
Depreciation charge for the year	1.72
Disposals/adjustments for the year	–
Balance as at 31 March 2017	**4.26**
Net book value (deemed cost) as at 1 April 2015	**97.79**
Net book value as at 31 March 2016	**95.25**
Net book value as at 31 March 2017	**61.88**

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 2017 or previous year ended 31 March 2016.

(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 2017	**31 March 2016**
Rental income	**212.73**	212.41
Direct operating expenses that generate rental income	**55.23**	93.11
Direct operating expenses that did not generated rental income	**55.27**	112.51
Profit from leasing of investment properties	**102.23**	6.79

(v) **Leasing arrangements**

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. These are all cancellable leases.

(vi) **Fair value**

(₹ in lakhs)

Particulars	31 March 2017	31 March 2016	1 April 2015
Fair value	**2490.69**	3558.94	3481.56

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 an 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

		Other Intangible Assets		
	Goodwill	Softwares	Brand Value	Total
Gross carrying amount				
Deemed cost as at 1 April 2015	689.32	345.38	332.63	678.01
Additions	–	202.84	–	202.84
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2016	**689.32**	**548.22**	**332.63**	**880.85**
Additions	–	98.02	–	98.02
Disposals/adjustments	–	–	–	–
Balance as at 31 March 2017	**689.32**	**646.25**	**332.63**	**978.88**
Accumulated amortisation				
At 1 April 2015	–	–	–	–
Amortisation charge for the year	–	122.23	38.00	160.23
Disposals/adjustments for the year	–	–	–	–
Balance as at 31 March 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**
Net book value (deemed cost) as at 1 April 2015	**689.32**	**345.38**	**332.63**	**678.01**
Net book value as at 31 March 2016	**689.32**	**426.00**	**294.63**	**720.63**
Net book value as at 31 March 2017	**689.32**	**372.97**	**256.63**	**629.60**

Note No.5
Non Current Investment
Unquoted, unless otherwise stated

(₹ in lakhs)

	As at 31 March 2017		As at 31 March 2016		As at 1st April 2015	
	No of Shares	Amount	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.	**86,01,277**	**6,885.88**	86,01,277	6,357.54	86,01,277	5,886.39
Ordinary Equity shares of ₹ 10 each						
Transafe Services Ltd.						
Ordinary equity shares of ₹ 10 each	**1,13,61,999**	**1,165.12**	1,13,61,999	1,165.12	1,13,61,999	1,165.12
Less Provision for diminution in value		**(1,165.12)**		(1,165.12)		(1,165.12)
(Carried in books at a value of ₹ 1 only)						
Balmer Lawrie Hind Terminal Pvt. Ltd.						
Ordinary Equity shares of ₹ 10 each					25,000	130.01
In Associate Company						
Balmer Lawrie (UAE) LLC	**9,800**	**18,956.86**	9,800	17,251.05	9,800	15,394.72
Shares of AED 1,000 each						
AVI–OIL India (P) Ltd.	**45,00,000**	**1,276.99**	45,00,000	1,090.22	45,00,000	906.35
Equity shares of ₹ 10 each						
Investments in Preference Shares (Fully paid stated at Cost)						
Transafe Services Ltd.						
Cumulative Redeemable Preference shares of ₹10 each	**1,33,00,000**	**1,330.00**	1,33,00,000	1,330.00	1,33,00,000	1,330.00
Less Provision for diminution in value		**(1,330.00)**		(1,330.00)		(1,330.00)
Total		**27,119.73**		**24,698.81**		**22,317.47**
Other Investments						
Equity shares of ₹ 10 each						
Bridge & Roof Co. (India) Ltd.**	**3,57,591**	**14.01**	3,57,591	14.01	3,57,591	14.01
Biecco Lawrie Ltd **	**1,95,900**	**–**	1,95,900	–	1,95,900	–
(Carried in books at a value of ₹ 1 only)						
Balmer Lawrie Hind Terminal Pvt. Ltd.*		**–**	25,000	12.10		
(Gone for Liquidation)						
Woodlands Multispeciality Hospitals Ltd.	**8,850**	**0.45**	8,850	0.45	8,850	0.45
Total		**14.46**		**26.56**		**14.46**
Total		**27,134.19**		**24,725.37**		**22,331.93**
Aggregate amount of quoted investments at Cost		**–**		–		–
Aggregate amount of unquoted investments at cost		**27,134.19**		24,725.37		22,331.93
		27,134.19		**24,725.37**		**22,331.93**

* The company has applied for voluntary winding up during the year 2015-16 which has been completed during the year 2016-17.The sum receivable on liquidation has been considered to be the fair value.

**These investments are carried at fair value through profit and loss and their carrying value approximates their fair value

Note No.6
(₹ in lakhs)

NON CURRENT ASSETS

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Financial Assets (Non - Current)			
Loans			
Secured considered good			
Other Loans	**305.28**	327.10	153.02
Unsecured considered good			
Loans to Related Parties			
Transafe Services Ltd	**180.00**	180.00	180.00
Doubtful			
Loans to Related Parties			
Balmer Lawrie Van Leer Ltd	**1,817.92**	1,817.92	1,817.92
Others to Related Parties	**1,248.53**	1,089.35	929.21
Less : Provision for doubtful Loans			
Loans to Related Parties	**(1,817.92)**	(1,817.92)	(1,817.92)
Others to Related Parties	**(1,248.53)**	(1,089.35)	(929.21)
	485.28	**507.10**	**333.02**

(*) 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)

Security Deposits	**448.16**	316.24	324.86
Other Receivables	**52.93**	35.54	21.75
Dues from Related Parties - Doubtful			
Transafe Services Ltd	**80.87**	80.87	81.87
Less : Provision	**(80.87)**	(80.87)	(81.87)
	501.09	**351.78**	**346.61**

Note No.8
DEFERRED TAX

(₹ in lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Deferred tax liability arising on account of :			
Property, plant and equipment	**(4,934.02)**	(4,513.57)	(4,153.41)
Deferred tax asset arising on account of :			
Adjustment for VRS expenditure	**487.75**	676.44	278.39
Provision for loans, debts, deposits & advances	**2,346.99**	1,942.99	1,579.34
Defined benefit plans	**1,902.61**	1,401.80	1,170.51
Provision for Inventory	**135.26**	124.90	117.11
Provision for dimunition in investment	**863.51**	863.51	863.51
Net Liability due to profit transfer of Group companies	**(4,004.31)**	(3,571.69)	(3,111.92)
Others	**–**	(0.51)	0.36
	(3,202.21)	**(3,076.13)**	**(3,256.11)**

Movement in deferred tax liabilities

Particulars	1 April 2015	Recognised in profit and loss	Recognised in Other Comprehensive Income	31 March 2016
Property, plant and equipment	(4,153.41)	(360.16)	–	(4,513.57)
Adjustment for VRS expenditure	278.39	398.05	–	676.44
Provision for loans, debts, deposits & advances	1,579.34	363.65	–	1,942.99
Defined benefit plans	1,170.51	100.76	130.52	1,401.80
Provision for Inventory	117.11	7.79	–	124.90
Provision for dimunition in investment	863.51	–	–	863.51
Net Liability due to profit transfer of Group companies	(3,111.92)	(455.94)	(3.83)	(3,571.69)
Others	0.36	(0.86)	–	(0.51)
	(3,256.11)	**53.29**	**126.69**	**(3,076.13)**

Movement in deferred tax liabilities

Particulars	1 April 2016	Recognised in profit and loss	Recognised in Other Comprehensive Income	31 March 2017
Property, plant and equipment	(4,513.57)	(420.45)	–	**(4,934.02)**
Adjustment for VRS expenditure	676.44	(188.70)	–	**487.75**
Provision for loans, debts, deposits & advances	1,942.99	404.00	–	**2,346.99**
Defined benefit plans	1,401.80	546.24	(45.43)	**1,902.61**
Provision for Inventory	124.90	10.36	–	**135.26**
Provision for dimunition in investment	863.51	–	–	**863.51**
Net Liability due to profit transfer of Group companies	(3,571.69)	(422.34)	(10.28)	**(4,004.31)**
Others	(0.51)	0.51	–	**–**
	(3,076.13)	**(70.37)**	**(55.71)**	**(3,202.21)**

Note No. 9
NON FINANCIAL ASSETS (NON-CURRENT)

(₹ in lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Capital Advances	**100.08**	146.92	347.05
Balances with Government Authorities	**230.37**	208.70	129.61
Prepaid Expenses	**3,250.06**	3,100.28	3,211.84
Others	**134.65**	144.72	152.39
	3,715.16	**3,600.62**	**3,840.89**

Note No. 10
INVENTORIES

Raw Materials and components	**8,846.73**	5,813.18	6,922.72
Goods-in-transit	**1.01**	18.55	114.16
Slow Moving & Non moving	**241.97**	154.41	152.54
Less: Adjustment for Slow & Non moving	**(161.64)**	(97.91)	(97.54)
Total - Raw Materials and components	**8,928.07**	**5,888.23**	**7,091.88**
Work in Progress	**1,097.87**	1,075.82	974.36
Slow Moving & Non moving	**14.49**	–	–
Less; Adjustment for Slow & Non moving	**(7.70)**	–	–
Total - Work in Progress	**1,104.66**	**1,075.82**	**974.36**
Finished goods	**4,125.57**	4,083.71	3,972.71
Goods-in transit	**270.49**	258.45	400.01
Slow Moving & Non moving	**220.03**	317.75	296.78
Less: Adjustment for Slow & Non moving	**(127.09)**	(180.51)	(169.61)
Total - Finished Goods	**4,489.00**	**4,479.40**	**4,499.89**
Trading Goods	**–**	–	3.08
	–	–	3.08
Stores and spares	**620.85**	505.87	423.41
Slow Moving & Non moving	**121.47**	109.66	89.00
Less: Adjustment for Slow & Non moving	**(94.41)**	(82.49)	(71.25)
Total - Stores & Spares	**647.91**	**533.04**	**441.16**
Total	**15,169.64**	**11,976.49**	**13,010.37**

[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 2017	As at 31 March 2016	As at 1st April 2015
Trade receivables outstanding for a period less than six months			
Secured, considered good	**–**	–	–
Unsecured, considered good	**25,727.66**	21,449.33	19,892.96
Unsecured, considered doubtful	**1.61**	52.79	64.62
Less: Provision for doubtful debts	**(1.61)**	(52.79)	(64.62)
	25,727.66	**21,449.33**	**19,892.96**
Trade receivables outstanding for a period exceeding six months			
Secured, considered good	**–**	–	–
Unsecured, considered good	**2,432.89**	1,583.21	1,687.86
Unsecured, considered doubtful	**601.18**	503.03	448.31
Less: Provision for doubtful debts	**(601.18)**	**(503.03)**	**(448.31)**
	2,432.89	**1,583.21**	**1,687.86**
Total	**28,160.55**	**23,032.54**	**21,580.82**

Note No. 12
CASH AND BANK BALANCES

Cash in hand	**30.94**	80.44	21.21
Balances with Banks - Current Account	**5,193.80**	6,069.37	4,811.54
Total	**5,224.74**	**6,149.81**	**4,832.75**

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	**231.86**	208.90	185.55
Bank Term Deposits	**47,457.35**	40,074.69	34,056.89
Margin Money deposit with Banks	**69.70**	63.78	58.87
Total	**47,758.91**	**40,347.37**	**34,301.31**

Note No. 14

(₹ in lakhs)

CURRENT ASSETS

		As at 31 March 2017		As at 31 March 2016		As at 1st April 2015
Financial Assets (Current)						
Loans						
Secured considered good						
Security Deposits						
Loans to Related Parties						
Other Loans (Employees)		**84.38**		134.02		279.66
Unsecured considered good						
Security Deposits						
Advances to Related Parties*						
Balmer Lawrie Investments Ltd.	**7.46**		0.97		3.50	
Balmer Lawrie Hind Terminal Pvt. Ltd.			–		10.38	
Pt. Balmer Lawrie Indonesia	**27.64**		29.18		35.87	
Balmer Lawrie Van Leer Ltd.	**5.18**		–		4.04	
Transafe Services Ltd.	**67.03**		66.15		48.47	
Visakhapatnam Port Logistics Park Ltd	**52.57**		481.92		196.23	
Balmer Lawrie UAE Ltd.	**36.66**		25.63		18.71	
		143.97		121.79		120.96
Other Loans and advances (Employees)		**30.83**		20.95		34.84
Other Loans and advances		**127.36**		92.22		63.43
		386.54		**368.98**		**498.89**

* Advances to related parties are in the course of regular business transactions.

Note No. 15

OTHER FINANCIAL ASSETS (CURRENT)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Unsecured			
Accrued Income	**1,910.07**	1,470.14	1,374.36
Security Deposits	**822.17**	1,024.93	1,214.36
Other Receivables -considered good	**18,034.77**	19,076.66	14,941.14
Other Receivables - considered doubtful	**2,366.32**	1,612.90	918.28
Less - Provision for doubtful receivables	**(2,366.32)**	(1,612.90)	(918.28)
	20,767.01	**21,571.73**	**17,529.86**

Note No. 16

NON FINANCIAL ASSETS (CURRENT)

	As at 31 March 2017	As at 31 March 2016	As at 1st April 2015
Balances with Government Authorities	**2,029.51**	2,490.03	2,110.04
Prepaid Expenses	**653.08**	657.18	1,325.82
Advances to Contractors & Suppliers -Good	**1,813.61**	2,254.65	1,767.04
Advances to Contractors & Suppliers - Doubtful	**665.22**	457.42	303.46
Less : Provision for Doubtful Advances	**(665.22)**	(457.42)	(303.46)
Other Advances to related parties	**600.00**	–	–
Others	**2,652.93**	1,249.31	1,617.64
	7,749.13	**6,651.17**	**6,820.54**

Note No. 17

(₹ in lakhs)

EQUITY SHARE CAPITAL

	31 March 2017	31 March 2016	1 April 2015
Authorised capital			
120,000,000 (60,000,000) equity shares of ₹ 10 each	**12,000.00**	6,000.00	6,000.00
	12,000.00	**6,000.00**	**6,000.00**
Issued and Subscribed Capital			
114,002,564 (28,500,641) equity shares of ₹ 10 each	**11,400.25**	2,850.06	2,850.06
Paid-up Capital			
114,002,564 (28,500,641) equity shares of ₹ 10 each	**11,400.25**	2,850.06	2,850.06
	11,400.25	**2,850.06**	**2,850.06**

a) **Reconciliation of equity shares outstanding at the beginning and at the end of the year.**

	31 March 2017		31 March 2016	
	No of shares	Amount (₹ Lakhs)	No of shares	Amount (₹ Lakhs)
Equity shares at the beginning of the year	2,85,00,641	2,850.06	2,85,00,641	2,850.06
Bonus shares issued during the year	8,55,01,923	8,550.19	–	–
Equity shares at the end of the year	**11,40,02,564**	**11,400.25**	**2,85,00,641**	**2,850.06**

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 2017		As on 31 March 2016		As on 1 April 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Equity shares of ₹ 10 each fully paid up						
Balmer Lawrie Investments Ltd.	**7,04,52,900**	**61.80%**	1,76,13,225	61.80%	1,76,13,225	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

(₹ in lakhs)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Share Premium Reserve	**3,626.77**	3,626.77	3,626.77
General Reserve	**35,603.82**	41,154.01	38,154.01
Retained Earnings	**84,173.80**	74,471.62	67,000.79
Foreign Currency Translation Reserve	**1,034.85**	2,033.22	–
Other Comprehensive Income Reserve	**45.65**	(261.63)	–
Total reserve	**1,24,484.89**	**1,21,023.99**	**1,08,781.57**

	For the year 31 March 2017	For the year 31 March 2016
Share Premium Reserve (A)	**3,626.77**	3,626.77
General Reserve		
Opening balance	**41,154.01**	38,154.01
Less : Bonus Shares issued	**(8,550.19)**	
Amount transferred from retained earnings	**3,000.00**	3,000.00
Sub total (B)	**35,603.82**	41,154.01
Retained Earnings		
Opening balance	**74,471.62**	67,000.79
Add : Net profit for the year	**17,007.52**	16,402.00
Less : Appropriations		
Transfer to general reserve	**(3,000.00)**	(3,000.00)
Equity dividend	**(5,700.13)**	(5,130.12)
Tax on equity dividend	**(1,192.69)**	(1,073.47)
Other adjustment	**2,587.49**	272.42
Net surplus in statement of profit and loss (C)	**84,173.80**	74,471.62
Foreign Currency Translation Reserve		
Opening balance	**2,033.22**	–
Movement	**(998.38)**	2,033.22
Sub total (D)	**1,034.85**	2,033.22
Other Comprehensive Income Reserve		
Opening balance	**(261.63)**	–
Movement	**307.28**	(261.63)
Sub total (E)	**45.65**	(261.63)
Total (A+B+C+D+E)	**1,24,484.89**	1,21,023.99
Total reserves - 2016		**1,21,023.99**
Total reserves - 2015		**1,08,781.57**

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 reserve (₹ in lakhs)

(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

General reserve

The company has opted to transfer a sum of ₹ 3000 Lacs to General Reserve out of the profits.

Note No. 19
NON CURRENT LIABILITIES

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Financial Liabilities (Non-Current)			
Borrowings			
Trade Payable			
Payable to MSME	**–**	–	–
Other Trade Payable	**–**	–	0.02
Other Financial Liabilities			
Deposits	**21.85**	22.70	113.91
Other Liabilities			
	21.85	**22.70**	**113.93**

Note No. 20
PROVISIONS (NON-CURRENT)

Actuarial Provision	**3,391.40**	3,525.30	2,989.81
Long term Provisions	**2,187.90**	3,017.10	3,017.10
	5,579.30	**6,542.40**	**6,006.91**

Note No. 21
NON FINANCIAL LIABILITIES (NON-CURRENT)

Advances from Customers	**3.55**	3.55	–
Others	**0.57**	0.67	8.03
	4.12	**4.22**	**8.03**

Note No. 22

(₹ in lakhs)

CURRENT LIABILITIES

Financial Liabilities (Current)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Trade Payable			
Payable to MSME	**94.45**	92.07	116.92
Other Trade Payable	**30617.28**	22337.19	21653.98
	30711.73	**22429.26**	**21770.90**

Note No. 23

OTHER FINANCIAL LIABILITIES

Unclaimed Dividend *	**231.86**	208.90	185.55
Security Deposits	**2700.78**	2060.44	1903.31
Other Liabilities	**11215.34**	9271.96	6930.12
	14147.99	**11541.30**	**9018.98**

* 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	**976.85**	956.47	858.26
Statutory Dues	**1827.56**	2060.84	1495.07
Deferred Gain/Income	**2.50**	48.49	25.16
Other Liabilities	**4067.11**	4408.59	3187.41
	6874.02	**7474.39**	**5565.90**

Note No. 25

CURRENT PROVISIONS

Actuarial Provision	**350.64**	148.03	392.39
Short term Provisions	**1640.24**	645.14	571.44
	1990.88	**793.17**	**963.83**

Note No. 26

CURRENT TAX LIABILITIES

Provision for Taxation (Net of advance)	**4574.57**	4061.26	5023.51
	4574.57	**4061.26**	**5023.51**

Note No. 27

(₹ in lakhs)

REVENUE FROM OPERATIONS

	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of Products	**1,05,334.07**	99,023.75
Sale of Services	**71,523.95**	69,333.41
Sale of Trading Goods	**1,148.67**	365.56
Other Operating Income	**4,801.56**	2,837.32
Total	**1,82,808.25**	**1,71,560.04**

Note No. 28

OTHER INCOME

Interest Income		
Bank Deposits	**3,516.91**	3,149.04
Others	**251.02**	231.52
	3,767.93	3,380.56
Dividend Income	**1,777.54**	1,117.79
Other Non-operating Income		
Profit on Disposal of Fixed assets	**5.13**	7.49
Unclaimed blances and excess provision written back	**896.59**	1,070.03
Gain on Foreign Currency Transactions (net)	**447.26**	322.57
Gain on Fair valuation of financial assets	**–**	9.60
Miscellaneous Income	**446.89**	396.39
Other Non-operating Income	**1,795.87**	1,806.08
Total	**7,341.34**	**6,304.43**

Note No. 29

COST OF MATERIALS CONSUMED & SERVICES RENDERED

Cost of Materials Consumed	**63,615.21**	56,741.59
Cost of Services Rendered	**43,325.65**	40,980.23
Total	**1,06,940.86**	**97,721.82**

Note No. 30

PURCHASE OF TRADING GOODS

Trading Goods	**1,148.67**	358.05
Total	**1,148.67**	**358.05**

Note No. 31

(₹ in lakhs)

CHANGES IN INVENTORIES OF TRADING GOODS, WORK-IN-PROGRESS AND FINISHED GOODS

		For the year ended 31 March 2017	For the year ended 31 March 2016
Change in Trading Goods	Opening	**–**	3.08
	Closing	**–**	–
	Change	**–**	3.08
Change in Work In Progress	Opening	**1,075.82**	974.36
	Closing	**1,104.66**	1,075.82
	Change	**(28.84)**	(101.46)
Change in Finished Goods	Opening	**4,479.40**	4,499.89
	Closing	**4,489.00**	4,479.40
	Change	**(9.60)**	20.49
		(38.44)	**(77.89)**

Note No. 32

EMPLOYEE BENEFITS EXPENSES

Salaries and Incentives	**15,107.32**	16,727.10
Contributions to Provident & Other Funds	**3,350.98**	1,752.49
Staff Welfare Expenses	**1,494.46**	1,439.47
Total	**19,952.76**	**19,919.06**

Note No. 33

FINANCE COSTS

Interest Cost	**322.44**	306.11
Bank Charges*	**131.26**	148.90
Total	**453.70**	**455.01**

* 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	**2,396.30**	2,239.31
Property Plant & Equipment	**1.72**	2.54
Investment Properties	**189.05**	160.23
Amortisation of Intangible Assets		
Total	**2,587.07**	2,402.08

Note No. 35
OTHER EXPENSES

(₹ in lakhs)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Manufacturing Expenses	**1,437.15**	1,412.43
Consumption of Stores and Spares	**841.90**	794.62
Excise duty on Closing Stock	**103.87**	43.22
Repairs & Maintenance - Buildings	**635.48**	726.77
Repairs & Maintenance - Plant & Machinery	**375.13**	308.83
Repairs & Maintenance - Others	**540.06**	571.97
Power & Fuel	**2,341.49**	2,181.55
Electricity & Gas	**370.61**	373.66
Rent	**1,083.61**	1,001.72
Insurance	**205.55**	227.37
Packing, Despatching, Freight and Shipping Charges	**3,920.07**	3,451.30
Rates & Taxes	**139.25**	110.76
Auditors Remuneration and Expenses	**25.39**	24.87
Write Off of Debtors ,Deposits, Loan & Advances	**544.08**	479.95
Provision for Doubtful Debts & Advances	**1,554.72**	1,311.12
Fixed Assets Written Off	**0.91**	2.39
Loss on Disposal of Fixed Assets	**1.77**	3.46
Selling Commission	**583.11**	560.26
Cash Discount	**285.48**	336.98
Travelling Expenses	**1,020.28**	976.12
Printing and Stationery	**226.12**	496.91
Motor Car Expenses	**143.77**	148.45
Communication Charges	**421.11**	352.01
Corporate Social Responsibility Expenses	**412.70**	395.51
Miscellaneous Expenses	**4,580.19**	4,876.02
	21,793.80	21,168.24
Provision for Debts, Deposits, Loans & Advances and Inventories considered doubtful, written back	**(241.95)**	(179.25)
Total	**21,551.85**	**20,988.99**

Note No. 36
TAX EXPENSE

	For the year ended 31 March 2017	For the year ended 31 March 2016
Current tax	**9,305.75**	8,483.43
Deferred tax	**(481.99)**	(193.22)
Prior period	**(450.00)**	(700.00)
	8,373.76	**7,590.21**

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 follow :

(₹ in lakhs)

	For the year 31 March 2017	For the year 31 March 2016
Accounting profit before income tax	**25,381.28**	23,992.21
At country's statutory income tax rate of 34.608% (31 March 2016 and 2017: 34.608%)	**34.608%**	34.608%
Tax Expense	**8,783.95**	8,303.22
Less : Current income tax of Foreign Subsidiary	**14**	4
Adjustments in respect of current income tax		
Exempt Dividend Income	**(113)**	(101)
Foreign Dividend income, taxed at a different rate	**(251)**	(143)
Non-deductible expenses for tax purposes		
Provisions (net)	**1,171**	506
CSR Expenses	**143**	137
VRS Expenses	**(142)**	398
Depreciation Difference	**(271)**	(226)
Additional Deduction for R&D expenses	**(30)**	(208)
Adjustments in respect of Previous years	**(450)**	(700)
Deferred tax impact on revised profit	**–**	(187)
	8,856	**7,783**

Note No. 37

OTHER COMPREHENSIVE INCOME

Other Comprehensive Income		
(A) Items that will not be reclassified to profit or loss		
(i) Re-measurement gains/ (losses) on defined benefit plans	**101.36**	(388.32)
Income tax effect	**(55.71)**	126.69
(ii) Net (loss)/gain on Fair Value Through Other Comprehensive Income	**–**	–
Income tax effect	**–**	–
	45.65	(261.63)
(B) Items that will be reclassified to profit or loss	**–**	**–**
	45.65	**(261.63)**

Note No. 38

EARNINGS PER EQUITY SHARE

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the share-holders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. 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.

Net profit attributable to equity shareholders		
Profit after tax	**17,007.52**	16,402.00
Profit attributable to equity holders of the parent adjusted for the effect of dilution	**17,007.52**	16,402.00
Nominal value of equity share (₹)	**10**	10
Weighted-average number of equity shares for basic EPS	**11,40,02,564**	11,40,02,564
Basic/Diluted earnings per share (₹)	**14.92**	14.39

Note No. 39

(₹ in lakhs)

ACCOUNTING FOR EMPLOYEE BENEFITS

Defined Contribution Plans

The group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Superannuation Fund and Employee State Insurance Scheme which are defined contribution plans for Indian companies. 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.

Defined Benefit Plans

Post Employment Benefit Plans

A. Gratuity

The gratuity plan entitles an employee, who has rendered at least 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 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:

Particulars	31 March 2017	31 March 2016	1 April 2015
Defined benefit obligation	**6,906.20**	5,214.51	5,004.20
Fair value of plan assets	**4,787.18**	4,209.54	4,670.74
Net defined benefit obligation	**2,119.02**	1,004.97	333.46

(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 March 2017	As at 31 March 2016
Opening value of defined benefit obligation	**5,214.51**	5,004.20
Add: Current service cost	**392.91**	361.36
Add: Current interest cost	**365.39**	363.79
Plan amendmentd : Vested portion at end of period(past service)	**1,519.83**	–
Add: Actuarial (gain)/loss due to -	**–**	–
- changes in demographic assumptions	**1.14**	3.89
- changes in experience adjustment	**(318.62)**	393.11
- changes in financial assumptions	**288.18**	19.97
Less: Benefits paid	**(557.14)**	(931.83)
Closing value of defined benefit obligation	**6,906.20**	5,214.51
Thereof –		
Unfunded	**2,119.02**	1,004.97
Funded	**4,787.18**	4,209.54

(ii) The defined benefit obligation in respect of gratuity plans was determined using the following actuarial assumptions for the parent company :

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Discount rate (per annum)	**7.29%**	8.00%	8.25%
Rate of increase in compensation levels/ Salary growth rate	**6.00%**	6.00%	6.00%
Expected average remaining working lives of employees (years)	**11**	12	12

The discount rate varies from 7 to 8 %,Salary growth rate 6 to 7.25 %.Retirement age 58 to 60 years for the present year and last year

(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 March 2017	As at 31 March 2016
Opening balance of fair value of plan assets	**4,767.15**	4,670.74
Add: Contribution by employer	**145.98**	69.43
Return on Plan Assets excluding Interest Income	**89.25**	27.67
Add: Interest income	**350.85**	373.27
Less: Benefits paid	**(566.05)**	(931.56)
Closing balance of fair value of plan assets	**4,787.18**	4,209.54

(iv) Expense related to the Group's defined benefit plans in respect of gratuity plan is as follows:

Amount recognised in Other comprehensive income	As at 31 March 2017	As at 31 March 2016
Actuarial (gain)/loss on obligations-change in demographic assumptions	**1.14**	11.15
Actuarial (gain)/loss on obligations-change in financial assumptions	**288.18**	13.97
Actuarial (gain)/loss on obligations-Experience Adjustment	**(318.62)**	391.85
Return on Plan Assets excluding Interest Income	**89.25**	27.67
Total expense recognized in the statement of Other Comprehensive Income	**(118.55)**	389.31

Amount recognised in Statement of Profit & Loss	As at 31 March 2017	As at 31 March 2016
Current service cost	**392.91**	361.36
Past service cost(vested)	**1,519.83**	–
Net Interest cost(Interest Cost-Expected return)	**14.54**	(9.48)
Total expense recognized in the statement of profit & Loss	**1,927.27**	351.89

Amount recognised in Balance Sheet	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Defined benefit obligation	**6,906.20**	5,214.51	5,004.20
Classified as:			
Non-current	**6,118.69**	4,903.00	4,696.37
Current	**787.50**	311.51	307.83

Gratuity limit has been enhanced to Rupees twenty lakhs by the Central Government. Pending regularization of the same as per The Gratuity Act, the parent company has provided liability based on actuarial valuation as per the revised limits considering the same as a substantive enactment.

(₹ in lakhs)

Particulars	As at 31 March 2017	As at 31 March 2016
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	**440.10**	400.94

(v) Plan assets do not comprise any of the Group's own financial instruments or any assets used by Group companies. Plan assets for the parent company can be broken down into the following major categories of investments:

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Government of India securities/ State Government securities	**40.81%**	38.25%	38.97%
Corporate bonds	**53.01%**	54.89%	53.61%
Others	**6.18%**	6.86%	7.42%
Total plan assets	**100.00%**	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.

Particulars	As at 31 March 2017	
	Increase	Decrease
Changes in discount rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,661**	**6,020**
Original defined benefit obligation	**6,906**	**6,906**
Increase/(decrease) in defined benefit obligation	**(1,245)**	**(886)**
Changes in salary growth rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,944**	**5,731**
Original defined benefit obligation	**6,906**	**6,906**
Increase/(decrease) in defined benefit obligation	**(963)**	**(1,176)**
Changes in Attrition rate in %	**0.50**	**0.50**
Defined benefit obligation after change	**5,835**	**5,836**
Original defined benefit obligation	**6,906**	**6,906**
Increase/(decrease) in defined benefit obligation	**(1,071)**	**(1,070)**

(₹ in lakhs)

Particulars	As at 31 March 2017	
	Increase	Decrease
Changes in Mortality rate in %	**1.00**	**1.00**
Defined benefit obligation after change	**5,839**	**5,832**
Original defined benefit obligation	**6,906**	**6,906**
Increase/(decrease) in defined benefit obligation	**(1,067)**	**(1,074)**

Particulars	As at 31 March 2016	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	4,240	4,515
Original defined benefit obligation	5,215	5,215
Increase/(decrease) in defined benefit obligation	(975)	(699)
Changes in salary growth rate	0.50	0.50
Defined benefit obligation after change	4,460	4,287
Original defined benefit obligation	5,215	5,215
Increase/(decrease) in defined benefit obligation	(755)	(928)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	4,378	4,368
Original defined benefit obligation	5,215	5,215
Increase/(decrease) in defined benefit obligation	(836)	(847)
Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	4,376	4,370
Original defined benefit obligation	5,215	5,215
Increase/(decrease) in defined benefit obligation	(838)	(845)

Particulars	As at 1 April 2015	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	4,194	4,471
Original defined benefit obligation	5,004	5,004
Increase/(decrease) in defined benefit obligation	(811)	(534)
Changes in salary growth rate	0.50	0.50
Defined benefit obligation after change	4,413	4,244
Original defined benefit obligation	5,004	5,004
Increase/(decrease) in defined benefit obligation	(591)	(760)
Changes in Attrition rate in %	0.50	0.50
Defined benefit obligation after change	4,334	4,322
Original defined benefit obligation	5,004	5,004
Increase/(decrease) in defined benefit obligation	(670)	(682)

(₹ in lakhs)

Particulars	As at 1 April 2015	
	Increase	**Decrease**
Changes in Mortality rate in %	**1.00**	1.00
Defined benefit obligation after change	**4,332**	4,324
Original defined benefit obligation	**5,004**	5,004
Increase/(decrease) in defined benefit obligation	**(672)**	(680)

All the post retirement and long term benefits herein below pertain to the parent company only.

B. Post retirement medical benefits scheme (Non-funded)

The post retirement medical benefit is on contributory basis and voluntary. It is applicable for all employees who superannuate/resign after satisfactory long service and includes dependent spouse, parents and children as per applicable rules.

Particulars	**As at 31 March 2017**	**As at 31 March 2016**
Opening value of defined benefit obligation	**328.98**	317.88
Add: Current service cost	–	–
Add: Current interest cost	**19.48**	22.20
Add: Actuarial (gain)/loss due to -		
- changes in demographic assumptions	**–**	–
- changes in experience adjustment	**103.87**	69.71
- changes in financial assumptions	**19.84**	–
Less: Benefits paid	**(123.46)**	(80.82)
Closing value of defined benefit obligation	**348.71**	328.98
Thereof-		
Unfunded	**348.71**	328.98
Funded	**–**	–

Amount recognised in Other Comprehensive Income	**As at 31 March 2017**	**As at 31 March 2016**
Actuarial (gain)/loss on obligations-change in demographic a sumptions	–	–
Actuarial (gain)/loss on obligations-change in financial assumptions	**103.87**	69.71
Actuarial (gain)/loss on obligations-Experience Adjustment	19.84	–
Total expense recognized in the statement of Other Comprehensive Income	**123.71**	69.71

Amount recognised in statement of Profit & Loss	**As at 31 March 2017**	**As at 31 March 2016**
Current service cost	–	–
Net Interest cost(Interest Cost-Expected return)	19	22
Total expense recognized in the statement of profit & Loss	19	22

Assumptions	**As at 31 March 2017**	**As at 31 March 2016**	**As at 1 April 2015**
Discount rate (per annum)	**7.29%**	8.00%	8.25%
Superannuation age	**60**	60	60
Early retirement & disablement	**1.00%**	1.00%	1.00%

(₹ in lakhs)

Amount recognised in balance sheet	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Defined benefit obligation	**348.71**	328.98	317.88
Classified as:			
Non-current	**293.80**	253.12	51.47
Current	**54.91**	75.85	266.41

(iv) Sensitivity Analysis

Particulars	As at 31 March 2017	
	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	**(10)**	**(11)**
Changes in Mortality rate in %	**1.00**	**1.00**
Defined benefit obligation after change	**342**	**354**
Original defined benefit obligation	**349**	**349**
Increase/(decrease) in defined benefit obligation	**(7)**	**6**

Particulars	As at 31 March 2016	
	Increase	Decrease
Defined benefit obligation after change	319	339
Original defined benefit obligation	329	329
Increase/(decrease) in defined benefit obligation	(10)	10
Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	322	334
Original defined benefit obligation	329	329
Increase/(decrease) in defined benefit obligation	(7)	5

Particulars	As at 1 April 2015	
	Increase	Decrease
Changes in discount rate	0.50	0.50
Defined benefit obligation after change	309	328
Original defined benefit obligation	318	318
Increase/(decrease) in defined benefit obligation	(9)	10
Changes in Mortality rate in %	1.00	1.00
Defined benefit obligation after change	311	323
Original defined benefit obligation	318	318
Increase/(decrease) in defined benefit obligation	(7)	5

C. Other long term benefit plans

(₹ in lakhs)

Leave encashment (Non-funded), Long service award (Non-funded) and half pay leave (Non-funded)

The Company provides for the encashment of accumulated leave subject to a maximum of 300 days.The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent acturial valuation. Amount of ₹ (-)24.76 lakhs (₹ 255.38 lakhs) has been recognised in the statement of profit and loss.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Leave encashment (Non-funded)			
Amount recognized in Balance Sheet – Current	**195.50**	52.56	235.19
Amount recognized in Balance Sheet – Non Current	**2,254.70**	2,422.39	1,984.38

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 ₹ (-) 37.07 lakhs [₹ (-) 49.09 lakhs] has been recognised in the statement of profit and loss.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Long service award (Non-funded)			
Amount recognized in Balance Sheet – Current	**58.56**	11.27	75.55
Amount recognized in Balance Sheet – Non Current	**372.14**	456.50	441.31

The leave on half pay is 20 days for each completed year of service on medical certificate or on personal grounds. Amount of ₹ (-)110.8 lakhs (₹ 73.65 lakhs) has been recognised in the statement of profit and loss.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Half pay Leave (Non-funded)			
Amount recognized in Balance Sheet – Current	**41.68**	8.35	30.19
Amount recognized in Balance Sheet – Non Current	**470.76**	393.29	297.70

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	100%	India
Balmer Lawrie (UAE) Llc.	Associate	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
Balmer Lawrie Hind Terminals Pvt Ltd	Joint Venture	50%	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 (1,76,13,225) Equity Shares are held by Balmer Lawrie Investments Ltd. (Holding Company).

40.3 (a) Fixed Deposit with bank amounting to ₹. 0.79 Lakhs (₹.1.37 Lakhs) are lodged with certain authorities as security.

(b) Conveyance deeds of certain land costing ₹. 5,666.10 Lakhs (₹. 5,789.78 Lakhs) and buildings, with written down value of ₹. 3,008.07 Lakhs (₹. 2,998.16 Lakhs) are pending registration / mutation.

(c) Certain buildings & sidings with written down value of ₹ 6,772.63 Lakhs (₹ 6,908.04 Lakhs) are situated on leasehold/rented land.

40.4 Contingent Liabilities as at 31st March, 2017 not provided for in the accounts are:

(a) Disputed demand for Excise Duty, Customs Duty, Income Tax, Service Tax and Sales Tax amounting to ₹. 15,106.53 Lakhs (₹. 13,821.81 Lakhs) against which the Company has lodged appeal/petition before appropriate authorities.

(b) Claims against the company not acknowledged as debts amount to ₹. 1,098.59 Lakhs (₹. 1,309.36 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 ₹. 10,392.75 Lakhs (₹. 11,604.38 Lakhs)

(b) Estimated amount of contract remaining to be executed on Capital Accounts and not provided for amounted to ₹. 9,169.56 Lakhs (₹. 1,695.58 Lakhs).

40.6 **Segment Reporting**

Information about business and geographical segment for the year ended 31st March, 2017 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 **Earnings per Share**

(i) Earnings per share of the company has been calculated considering the Profit after Taxation of ₹. 17,007.52 Lakhs (₹. 16,402.00 Lakhs) as the numerator.

(ii) The weighted average number of equity shares used as denominator is 114,002,564 (114,002,564).

(iii) The nominal value of shares is ₹. 11,400.25 Lakhs (₹. 11,400.25 Lakhs) and the earnings per share (Basic and Diluted) for the year on the above mentioned basis comes to ₹. 14.92 (₹. 14.39). (Refer Note 38)

40.8 Continuous losses incurred by a joint venture, Transafe Services Ltd. over the last few years have resulted in negative net worth of ₹. 8804.26 lakhs as on 31st March 2017. 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 Companes 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 is pending as on date.

40.9 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 ₹ 3,764.96 Lakhs which were due as on the Balance Sheet date.

40.10 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 incurred losses of ₹ 90.91 lakhs and negative operating cash flow of ₹ 45.87 lakhs during the year ended March 31, 2017. However considering the impact of financing and investing activities during the year the cash flow is positive.

40.11 Loan provided by Balmer Lawrie & Co ltd , holding company to Balmer Lawrie Van–Leer Ltd, a jointly controlled entity of ₹ 18.18 Crs has been eliminated from intra group transaction and also the 100% provision made by Balmer Lawrie & Co Ltd in its books in this respect have already been adjusted with general reserve in earlier years

40.12 Balmer Lawrie Hind Terminals Pvt. Ltd. ["BLHTPL"], a joint venture company had gone for voluntary winding-up by its members. Last final accounts of BLHTPL was drawn for a period of 9 months from 1st April 2015 to 31st Dec., 2015, which has been audited by their Statutory Auditors. Based on the audited accounts, the Directors of BLHTPL have given Declaration of Solvency and recommended for winding-up, which was thereafter approved by BLHTPL's shareholders on 11th Feb., 2016. Consequently, BLHTPL was treated as a Company in liquidation, Subsequently vide order of Hon'ble High Court of Madras dated 20th October 2016, the Company stands dissolved. Balmer Lawrie received Rs. 12.51 lakhs as final payment towards their investment in the same.

40.13 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.

(₹ in lakhs)

40.14

	SBN's *	Other Denomination Notes	Total
Closing Cash in hand as on 8.11.2016	30,11,500	7,54,994	37,66,494
(+) Permitted Receipt **	12,98,150	168,94,689	1,81,92,839
(-) Permitted Payments	97,000	75,00,452	75,97,452
(-) Amount Deposited in Bank	42,12,650	86,22,936	1,28,35,586
(+) Amount withdrawn from Bank	–	1,07,363	1,07,363
Closing Cash as on 30.12.2016	–	16,33,658	16,33,658

* for the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs No S.O.3407 (E), dt 8th November 2016

** Amount received from employees towards imprest / advances/ claims settled

40.15 (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 Partha Sarathi De
Partner
Membership No. 016727

Kolkata, 29th May, 2017

Prabal Basu
Chairman & Managing Director

Shyam Sundar Khuntia
Director (Finance) & Chief Financial Officer

Manjusha Bhatnagar
D Sothi Selvam
K Swaminathan
Indrani Kaushal
Atreyee Borooah Thekedath
Directors

Kavita Bhavsar
Secretary

Note No. 41

SEGMENT REVENUE

₹./Lakhs

	For the year ended 31 March 2017			For the year ended 31 March 2016		
	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers	Total Segment Revenue	Inter Segment Revenue	Revenue from external customers
Industrial Packaging	**56,635**	**1,739**	**54,897**	53,176	1,554	51,622
Logistics	**56,620**	**248**	**56,372**	53,823	803	53,020
Travel & Vacations	**16,304**	**83**	**16,221**	16,515	407	16,109
Greases & Lubricants	**44,897**	**112**	**44,785**	41,992	82	41,910
Others	**10,646**	**112**	**10,533**	8,978	78	8,900
Total Segment Revenue	**1,85,101**	**2,293**	**1,82,808**	**1,74,483**	**2,923**	**1,71,560**

Segment Assets

	As at 31 March 2017				As at 31 March 2016				As at 31 March 2015			
	Segment assets	Invest-ment in associates and joint ventures	Additions to non-cur-rent assets	Segment assets	Segment assets	Invest-ment in associates and joint ventures	Addi-tions to non-cur-rent assets	Segment assets	Segment assets	Invest-ment in associates and joint ventures	Additions to non-cur-rent assets	Segment assets
Industrial Packaging	**30,364**	**–**	**–**	**30,364**	26,423	–	–	26,423	28,872	–	–	28,872
Logistics	**33,706**	**–**	**–**	**33,706**	28,333	–	–	28,333	23,2701	–	–	23,2701
Travel & Vacations	**22,805**	**–**	**–**	**22,805**	24,017	–	–	24,017	18,595	–	–	18,595
Greases & Lubricants	**21,577**	**–**	**–**	**21,577**	21,199	–	–	21,199	27,836	–	–	27,836
Others	**8,025**	**–**	**–**	**8,025**	7,196	–	–	7,196	8,331	–	–	8,331
Total Segment Assets	**1,20,476**	**–**	**–**	**1,20,476**	1,07,167	–	–	1,07,167	1,07,004	–	–	1,07,004
Intersegment eliminations	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Unallocated												
Deferred tax assets	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Investments	**27,134**	**–**	**–**	**27,134**	24,725	–	–	24,725	22,332	–	–	22,332
Derivative financial instruments	**–**	**–**	**–**	**–**	–	–	–	–	–	–	–	–
Other Assets	**55,382**	**–**	**–**	**55,382**	47,926	–	–	47,926	34,024	–	–	34,024
Total assets as per the Balance Sheet	**2,02,992**	**–**	**–**	**2,02,992**	1,79,819	–	–	1,79,819	1,63,350	–	–	1,63,350

Segment Liabilities

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Industrial Packaging	**6,991**	6,116	6,910
Logistics	**16,399**	13,401	10,770
Travel & Vacations	**10,399**	7,833	7,250
Greases & Lubricants	**5,901**	5,801	4,999
Others	**1,971**	1,539	2,183
Total Segment Liabilities	**40,661**	34,690	32,112
Intersegment eliminations	**–**	–	–
Unallocated			
Deferred tax liabilities	**3,202**	3,076	3,256
Current tax liabilities	**4,575**	4,061	5,024
Current borrowings	**–**	–	–
Non current borrowings	**–**	–	–
Derivative financial instruments	**–**	–	–
Other Liabilities	**17,669**	14,118	11,336
Total assets as per the Balance Sheet	**67,106**	55,945	51,728

Note No. 42

(₹ in lakhs)

FINANCIAL RISK MANAGEMENT

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

	31 March 2017		31 March 2016		1 April 2015	
Particulars	**FVTPL**	**Amortised cost***	**FVTPL**	**Amortised cost***	**FVTPL**	**Amortised cost***
Financial assets						
Equity instruments**	**14**	**–**	27	–	14	–
Trade receivables	**–**	**28,161**	–	23,033	–	21,581
Other receivables	**–**	**18,035**	–	19,077	–	14,941
Loans	**–**	**872**	–	876	–	832
Accrued income	**–**	**1,910**	–	1,470	–	1,374
Security deposit	**–**	**822**	–	1,025	–	1,214
Cash and cash equivalents	**–**	**5,225**	–	6,150	–	4,833
Other bank balances	**–**	**47,759**	–	40,347	–	34,301
Total	**14**	**1,02,783**	**27**	**91,978**	**14**	**79,077**
Financial liabilities						
Trade payable	**–**	**30,712**	–	22,429	–	21,771
Security deposit	**–**	**2,723**	–	2,083	–	2,017
Other financial liabilities	**–**	**11,215**	–	9,272	–	6,930
Total	**–**	**44,650**	**–**	**33,784**	**–**	**30,718**

*All financial assets/liabilities stated above are measured at amorised 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, except BLHTPL which has been fair valued.

ii) Risk Management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the group is exposed to and how the group manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost	Ageing analysis	Keeping surplus cash only in the form of bank deposits, diversification of asset base, monitoring of credit limits and getting collaterals, wherever feasible. Periodic review/ monitoring of trade receivables
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Periodic review of cash flow forecasts
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (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 compnay receivables are typically unsecured and are derived from revenue earned from customers which is predominantly outstanding from sales to Government departments and public sector entities whose risk of default has been very low in the past. In case of other trade receivables, the credit risk has been managed based on continuous montitoring of credit worthiness of customers, ability to repay and their past track record.

Similarly all group companies closely monitor their trade receivables which includes tracking the cedit worthiness of the customers, ability to pay, default rates, past history etc. Accordingly expected cedit loss has also been computed and accounted for by them.

Provision 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 employeees and hence credit risk is taken as nil.

Accrued income - for the parent company includes Dividend income from both Indian and foreign JV's/ associates. Hence no credit risk is envisaged.

Deposits - represent amounts lying with customers mainly Governemnt 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 is unleveraged entity, with no long term borrowings or debt. However, 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.

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.

(₹ in lakhs)

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 have any debt outstanding on any of the Balance sheet dates covered in this report. 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.

Particulars	31 March 2017	31 March 2016	1 April 2015
Total equity	**1,35,885**	1,23,874	1,11,632
Total assets	**2,02,992**	1,79,819	1,63,360
Equity ratio	**67%**	69%	68%

(b) Dividends

Particulars	31 March 2017	31 March 2016
(i) Equity shares		
Final dividend for the year ended 31 March 2016 (Net of Dividend distribution tax)	**5,700.13**	5,130.12
(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 ₹ 7 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.	**7,980.18**	5,700.13

Note No. 43
Interest in Other entiries

a) Subsidiaries

The group's subsidiaries at 31 March 2017 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 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015
Balmer Lawrie UK Ltd.	United Kingdom	100%	100%	100%	NIL	NIL	NIL
Vishakhapatnam Port Logistics Park Ltd.	India	100%	100%	100%	NIL	NIL	NIL

(b) Interest in associates and joint ventures (₹ in lakhs)

Name of entity	Place of business/ country of incorporation	% of Ownership Interest	Relationship	Accounting method
Balmer Lawrie (UAE) LLC	United Arab Emirates	49.00%	Associate	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
Balmer Lawrie Hind Terminal Pvt. Ltd. (BLHTPL)	India	50.00%	Joint Venture	Equity Method

Balmer Lawrie (UAE) LLC, Avi Oil India (P) Ltd. are classified as associate on the basis of the shareholding pattern which leads to significant influence over these companies by the Company. Further, in Balmer Lawrie Van Leer Ltd., Transafe Services Ltd. and Balmer Lawrie Hind Terminals Pvt. 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. However, BLHTPL has since been liquidated and is no longer a Joint venture of the Company.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

Summarised Balance Sheet	31 March 2017	31 March 2016	1 April 2015
Capital Commitments	**359.60**	350.11	712.24
Contingent liabilities			
Claims not acknowledged as debts	**184.86**	128.33	81.60
Counter Guarantees	**1,835.98**	1,329.74	1,553.63
Disputed demands	**3,641.13**	3,636.32	2,896.78
Toal commitments and contingenet liabilities	**6,021.57**	**5,444.50**	**5,244.25**

(c) Summarised financial information for associates and joint ventures

(c) (i) - Associates

Summarised Balance Sheet	Balmer Lawrie (UAE) LLC			Avi Oil India Pvt. Ltd.		
	31 Dec 2016	31 Dec 2015	01 Jan 2015	31 March 2017	31 March 2016	1 April 2015
Current assets	43,761.63	41,383.46	47,269.97	**4,190.33**	3,293.17	3,126.34
Current liabilities	10,487.24	12,490.29	21,674.25	**637.34**	530.23	1,288.56
Net current assets	**33,274.39**	**28,893.18**	**25,595.73**	**3,552.99**	**2,762.94**	**1,837.78**
Non-current assets	7,562.19	8,438.67	7,888.63	**2,072.28**	2,102.32	2,220.86
Non-current liabilities	2,149.11	2,125.63	2,066.55	**517.31**	504.37	433.23
Net non-current assets	**5,413.08**	**6,313.04**	**5,822.08**	**1,554.97**	**1,597.95**	**1,787.63**
Net assets	**38,687.47**	**35,206.22**	**31,417.81**	**5,107.96**	**4,360.89**	**3,625.41**

(c) (i) - Joint Ventures

(₹ in lakhs)

Summarised Balance Sheet	Balmer Lawrie Van Leer Ltd.			Transafe Services Ltd.		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	1 April 2015
Cash & Cash Equivalents	**515.39**	263.71	422.64	**49.19**	26.56	56.31
Current assets excluding Cash & cash equivalents	**14,342.89**	12,778.56	11,771.19	**3,057.99**	2,970.23	2,967.66
Current Financial liabilities (excluding Trade payables)	**8,399.21**	7,434.84	6,772.72	**9,403.98**	7,305.99	5,481.71
Other Current liabilities	**5,484.37**	4,998.59	4,480.63	**2,230.13**	1,444.36	1,109.75
Net current assets	**974.70**	**608.84**	**940.48**	**(8,526.94)**	**(5,753.56)**	**(3,567.49)**
Non-current assets	**16,932.98**	16,096.47	14,750.02	**10,463.02**	10,904.23	11,427.90
Non-current Financial liabilities (excluding Trade payables)	**2,482.85**	2,451.82	2,487.39	**9,209.32**	11,351.40	13,328.19
Other Non-current liabilities	**1,052.30**	983.73	916.74	**98.73**	92.82	102.23
Net non-current assets	**13,397.83**	**12,660.92**	**11,345.89**	**1,154.96**	**(539.98)**	**(2,002.51)**
Net assets	**14,372.53**	**13,269.76**	**12,286.37**	**(7,371.97)**	**(6,293.54)**	**(5,570.00)**

Summarised Balance Sheet	Balmer Lawrie Hind Terminal Ltd.			PT Balmer Lawrie Indonesia		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	1 April 2015
Cash & C ash Equivalents	–	–	111.48	**12.15**	9.13	21.26
Current assets excluding Cash & cash equivalents	–	–	155.36	**1,326.13**	980.95	1,081.32
Current Financial liabilities (excluding Trade payables)	–	–	0.42	**458.08**	258.39	423.92
Other Current liabilities	–	–	6.40	**1,472.43**	1,432.62	1,416.65
Net current assets	–	–	**260.02**	**(592.22)**	**(700.94)**	**(737.99)**
Non-current assets	–	–	–	**1,308.90**	1,413.20	1,424.90
Non-current Financial liabilities (excluding Trade payables)	–	–	–	**1,591.85**	1,697.74	1,684.31
Other Non-current liabilities	–	–	–	**(0.00)**	0.00	1.39
Net non-current assets	–	–	**–**	**(282.95)**	**(284.54)**	**(260.80)**
Net assets	–	–	**260.02**	**(875.17)**	**(985.47)**	**(998.79)**

Balmer Lawrie Hind Terminals Pvt Ltd had gone for voluntary winding up during december 2015 and has since been liquidated and hence not consolidated during the years 2015-16 & 2016-17.

(c) (ii)- Associates

Summarised statement of profit and loss	Balmer Lawrie (UAE) LLC		Avi Oil India Pvt. Ltd.	
	31 Dec 2016	31 Dec 2015	31 March 2017	31 March 2016
Revenue	**64,102.14**	65,943.07	**6,763.46**	6,850.47
Profit for the year	**6,088.48**	**3,458.63**	**1,087.02**	**876.40**
Other comprehensive income (net of tax)	–	–	**(13.46)**	(32.49)
Total comprehensive income	**6,088.48**	**3,458.63**	**1,073.56**	**843.91**
Dividend received	**1,452.00**	**824.07**	**67.50**	**22.50**

(c) (ii) - Joint Ventures

(₹ in lakhs)

Summarised statement of profit and loss	Balmer Lawrie Van Leer Ltd.		Transafe Services Ltd.		PT Balmer Lawrie Indonesia	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Revenue	**42,521.99**	38,312.08	**5,481.66**	6,362.46	**2,882.41**	2,408.64
Interest income	**75.10**	58.76	**24.51**	**18.29**	**0.00**	0.00
Depreciation and amortisation	**940.69**	831.64	**941.25**	**965.99**	**10.62**	9.78
Interest expense	**770.83**	707.62	**1,634.36**	**1,650.33**	**320.73**	333.35
Income tax expense	**1,000.13**	676.01	**(479.93)**	**(331.75)**	**(3.50)**	2.09
Profit for the year	**1,846.71**	**1,675.39**	**(1,078.50)**	**(724.93)**	**(90.44)**	**(330.71)**
Other comprehensive income	**(95.74)**	(22.36)	**0.07**	**1.39**	**(0.60)**	1.01
Total comprehensive income	**1,750.97**	**1,653.02**	**(1,078.43)**	**(723.54)**	**(91.04)**	**(329.70)**
Dividend received	**258.04**	172.02				

PT Balmer lawrie Indonesia, a JV of Balmer Lawrie (UK) Ltd and Transafe Services Ltd's a JV whose networth have turned negative on all the applicable balance sheet dates, have not been consolidated further as per Ind AS requirements.

(₹ in lakhs)

Additional Information to Consolidated Financial Statements for the year ending 31.03.2017

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
Parent	85.81%	1,16,598.77	100.20%	17041.89	188.06%	85.85	1.00	17,127.74
Subsidiaries								
Indian								
Visakhapatnam Logistics Park Limited	(0.15%)	(201.47)	(0.32%)	(53.96)	–	–	(0.32%)	(53.96)
Foreign								
1. Balmer Lawrie UK Ltd	0.81%	1,098.59	0.12%	19.59	–	–	0.12%	19.59
2. PT Balmer Lawrie Indonesia								
Non Controlling Interest in All subsidiaries								
Associates (Investment as per Equity Method)								
Indian								
Avi-Oil India Private Limited	0.49%	659.25	–	–	(8.04)	(3.67)	(0.08)	(3.67)
Foreign								
Balmer Lawrie (UAE) LLC	11.00%	14,942.00	–	–	–	–	–	–
Joint Ventures (Investment as per Equity Method)								
Indian								
1. Balmer Lawrie Van leer	2.05%	2,788.00	–	–	(80.02)	(36.53)	(0.80)	(36.53)
2. Transafe Services Ltd.								
Net worth of PTBLI & Transafe Services Ltd are negative.								
Hence no consolidation has been done								
Total	**100.00%**	**1,35,885.14**	**100.00%**	**17,007.52**	**100.00%**	**45.65**		**17,053.17**

Disclosures in Notes to the Consolidated Financial Statements for the year ended 31 March 2017

Note No. 44
FIRST TIME ADOPTION OF Ind AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS applicable as at 31st March, 2017.

The accounting policies set out in Note no 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

The applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS are given below.

A. Ind AS optional exemptions

Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and by Ind AS 40- Investment Property.

Accordingly, the Group has elected to measure all of its Property, Plant and Equipment, Investment Properties and Intangible Assets at their previous GAAP carrying value.

Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The group has elected to apply this exemption of making this assessment on the date of transition to Ind AS for such contracts/ arrangements.

Investment in subsidiaries, joint ventures and associates

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its subsidiaries, joint ventures and associate companies as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly the company has elected to measure the investment in subsidiaries, joint ventures and associates at previous GAAP carrying amount.

B. Ind AS mandatory exemptions (₹ in lakhs)

1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial instruments will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition to Ind AS.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to apply retrospectively the effective interest rate method requirements then, fair value of financial assets at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

The group has applied the classification and measurement provisions as per Ind AS 109 as on the date of transition.

3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

C Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

C1 . Reconciliation of total equity as at 31 March 2016 and 1 April 2015

(₹ in lakhs)

	Notes to first time adoption	31 March 2016	1 April 2015
Total equity (shareholder's funds) as per previous GAAP	–	1,16,767.92	1,04,328.78
Adjustments:			
Items consolidated earlier no longer done under equity method	B17	(238.54)	971.38
Reversal of proposed dividend and Tax on dividend	B6	7,286.46	6,660.72
Reversal of revenue	B4	(5.12)	(23.64)
Impact of Grants	B15	(12.91	(14.01)
Decommissioning liability and related depreciation	B16	(7.04)	(6.21)
Depreciation reversal on Goodwill & Leasehold land	B2/B12	319.32	–
Increase in rent expenses on leasehold land	B12	(135.67)	–
Amortisation impact of Long term loans, advances & liabilities	B3/B13	(3.41)	30.05
Fair value gain on Investments	–	9.60	–
Actuarial Gain/(losses) on valuation of Defined benefit employee plans	B9	377.16	–
Deferred tax impact on above adjustments and additional deferred tax for IGAAP figures	B8	(222.09)	(315.64)
Other Comprehensive income	B9	(261.63)	–
Total adjustments		**7,106.13**	**7,302.85**
Total equity as per Ind AS		**1,23,874.05**	**1,11,631.63**

C2. Reconciliation of total comprehensive income for the year ended 31 March 2016

	Notes to first time adoption	31 March 2016
Profit after tax as per previous GAAP		17,888.01
Adjustments in Statement of Profit and Loss:		
Depreciation reversal on Goodwill	B2	183.65
Depreciation reversal on Leasehold land	B12	135.67
Rent Expenses on account of Leasehold Land	B12	(135.67)
Reversal of Revenue on account of consideration received on others account	B4	(1,11,493.62)
Reversal of cost on account of consideration paid on others account	B4	1,11,493.62
Reversal of Revenue for Incomplete tours	B4	(22.83)
Reversal of Cost for Incomplete tours	B4	18.99
Impact of actuarial gain/loss on defined benefit employee plans	B9	377.15
Income from amortisation of long term Loans and advances	B3 /B13	35.88
Expenses from amortisation of long term Loans and advances	B3/B13	(35.68)
Fair value gain on investment	B14	9.60
Adjustments on account of JV & Associates consolidated earlier	B17	(1600.99)
Additional Deferred tax on previous GAAP figures	B8	(450.91)
Deferred tax impact on above adjustments	B8	(0.87)
Adjustments in Other Comprehensive Income:		
Impact of actuarial gain/loss on defined benefit employee plans	B9	(373.22)
Impact of other OCI for JV's and associates	B9	(15.00)
Deferred tax impact on above adjustments in OCI	B9	126.69
Total adjustments		**(1747.64)**
Total comprehensive income for the year ended 31 March 2016		**16,140.37**

C3. Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities		21,783	(6,754)	15,029
Net cash flow from investing activities		(1,484)	(5,593)	(7,077)
Net cash flow from financing activities		(13,327)	6,692	(6,635)
Net increase in cash and cash equivalents		6,972	(5,655)	1,317
Cash and cash equivalents as at 1 April 2015		38,779	(33,946)	4,833
Cash and cash equivalents as at 31 March 2016		45751	(39,601)	6,150

NOTES TO FIRST TIME ADOPTION :

Note B1 : Property Plant and Equipment

Under the previous GAAP, the upfront payment on account of leasehold land was recognised under property, plant and equipment as per the disclosure requirements of Schedule III. Under Ind AS, leasehold land with lease tenure upto thirty years disclosed under Property, plant and equipment is reclassified to other assets (prepaid rent).

Under Ind AS, 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.

Note B2 : Intangible Assets - Goodwill

Under Ind AS 103, goodwill is not written down unless impairment is evident. Goodwill needs to be reviewed annually for impairment using principles of Ind AS 36 - Impairment. Accordingly the amortisation of goodwill during the financial year ending on 31st March, 2016 included under depreciation has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

Note B3 : Loans given to Employees

Under the previous GAAP, loan to employees was measured at cost. Under the Ind AS, these loans are considered as debt instruments and falls under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value (fair value) shall be treated as prepaid employee cost.

Note B4 : Revenue recognition

Under Ind AS, where the Company collects consideration on account of another party, it recognises revenue as the net amount retained on its own account for services rendered in its Ticketing and Logistics businesses.

The company recognised its revenue relating to sale of tour packages on the basis of certainty of collection of the amount. In previous GAAP, revenue regarding the sale of service could be recognised on the basis of either Completed method or Percentage of completion method. In Ind AS, revenue regarding sale of service can only be recognised on the basis of Percentage of completion method and hence revenue relating to incomplete tours have been reversed.

Note B5 : Trade Receivable and other receivables

Consequent to the change in revenue recognition under Ind AS as stated above, the receivables from the customers have also been reclassified from Trade receivables to Other receivables under other financial assets.

Note B6 : Proposed Dividend

Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend including dividend distribution tax included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has increased by an equivalent amount.

Note B7 : Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of products is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31st March 2016. There is no impact on total equity and profit.

Note B8 : Deferred Tax

As per Ind AS, deferred tax has been recognised on the adjustments made on transition to Ind AS. The impact of transition adjustments together with using balance sheet approach as per Ind AS against profit and loss approach in the previous GAAP for computation of deferred tax has impacted the reserves on date of transition, with consequential impacts on the profit and loss for the subsequent periods.

Note B9 : Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ represents re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Actuarial gains/ losses on defined benefit plans for employees was being recognised in statement of profit and loss under previous GAAP. This is now being recognised in other comprehensive income net of deferred tax. The net impact for the year ending 31st March 2016 is ₹ 246.63 Lacs.

Note B10 : Other Equity

Other equity has been adjusted consequent to the above Ind AS transition adjustments.

Note B11 : Cash Credit (Short Term Borrowings)

Under Ind AS, cash credit (bank overdrafts) repayable on demand and which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of statement of cash flows. Under previous GAAP, cash credit (bank overdrafts) were considered as part of borrowings and movements in cash credit (bank overdrafts) were shown as part of financing activities. Consequently, cash and cash equivalents have reduced by as at 31st March 2016 (as at 1st April 2015) and cash flows from financing activities for the year ended 31st March 2016 have also reduced by to the effect of the movements in cash credit (bank overdrafts).

Note B12 : Depreciation

As explained in note B1, Leasehold land has been de-capitalised and treated as prepaid rent under Ind AS. The prepaid rent is being charged to statement of profit and loss over the balance lease period as rent expenses. This has resulted in increase in rent expenses on this account during 2015-16 with corresponding decrease in depreciation expenses on leasehold land.

Note B13 : Long Term Loans and Advances (Amortised cost instruments)

Items like security deposits, retention money and other financial items of long term nature have been treated under the category of amortised cost. These instruments are measured at fair value and the difference between the carrying value and the discounted value (fair value) are treated as deferred cost and deferred gains for assets and liabilities respectively. The deferred cost/ deferred gains are being charged to statement of profit and loss over the life of the long term assets and liabilities on straight line basis.

All deposits with statutory authorities, utility departments and the like for which the cash flows cannot be predicted with certainty have been excluded.

Note B14 : Fair value gain on investment

Investment in equity shares of a joint venture which had gone for voluntary winding up has been fair valued at the value which was received from the official liquidator on liquidation.

Note B15 : Grants

Government grants related to depreciable capital assets are recognised in the balance sheet as deferred income and the same is recognised in the statement of profit and loss on a systematic basis over the useful life of the asset. Consequent to the change, capital subsidy recognised has been recognised as deferred grant income on the transition date which has resulted in reduction of equity on that date.

Note B16 : Provision for De-commissioning liability

Ind AS 16 requires specified changes in a de-commissioning restoration or similar liability to be added to or deducted from the cost of the asset to which it relates. The adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life.

Note B17 : Consolidation of Joint Ventures and Associates

Under Ind AS the joint ventures and associates are consolidated using the equity method instead of proportionate consolidation method being used under previous GAAP. This has impacted the consolidated results for the items no longer consolidated in the statement of profit and loss. Also for the loss making joint ventures and associates where the net worth has turned negative, the requirement of consolidation no longer exists. The investments are written down to the extent of share of the accumulated losses. This has impacted the equity figures to that extent.

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
INDUSTRIALPACKAGING		
Asaoti	Plant	Village Piyala, Post Asaoti, Faridabad, Haryana - 121 102 Phone: +91 0129 2205073 / 2205322 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 Fax: +91 044 25941157 E-Mail: sarkar.a@balmerlawrie.com
Chittoor	Plant	62, Patnam (Village & Post), Thavanan Palli, Mandal, Chittoor - 517 131, Andhra Pradesh Phone: +91 08573 281077 / 088 / 044 25946647 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 24393794 / 95/ 7879 / 2137 Fax: +91 033 24393793 E-Mail: prasad.tn@balmerlawrie.com
Mumbai	SBU Office	5, J N Heredia Marg, Ballard Estate, Mumbai - 400 001 Phone: +91 022 66258181 / 187 Fax: +91 022 66258200 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: +91 124 4798161 / 62 / 63 / 64 Fax: NIL E-Mail: mukhija.mm@balmerlawrie.com
Silvassa	Plant	23/1/1, Khadoli, Silvassa - 396 230, Dadra and Nagar Haveli Phone: +91 0260 6539810 / 022 66258198 Fax: +91 022 66258200 E-Mail: chavan.ar@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 66258198 Fax: NIL E-Mail: bhave.ap@balmerlawrie.com
GREASES & LUBRICANTS		
Bengaluru	Marketing Office	No. 35-06, Block No. 3, M. S. Industrial Complex, Peenya Industrial Area, 14th Cross, 4th Phase, Bengaluru - 560 058, Karnataka Phone: +91 080 28363173 Fax: NIL E-Mail: ramanamurthy.v@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
Chandigarh	Marketing Office	House No. 31, Saraswati Vihar, Dhakoli, Zirakpur - 160 104, State: Punjab Phone: 8146132396 Fax: NIL E-Mail: chopra.n@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
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 66361136 / 1137 Fax: +91 022 66361110 E-Mail: mumbaimktg@balmerlawrie.com

New Delhi	Marketing Office	Ground Floor, Core - 8, Scope Complex, 7, Lodhi Road, New Delhi - 110 003 Phone: NIL Fax: +91 11 24361405 E-Mail: singh.r@balmerlawrie.com
Pune	Marketing Office	10, Aditya Shagun Mall, Bavadhan Kurd, NDA-Pashan Road, Pune - 411 021, State: Maharashtra Phone: +91 078 64731573 Fax: NIL E-Mail: sam.b@balmerlawrie.com
Raipur	Marketing Office	C/o. Shree Mahavir Secure Logistics (P) Ltd., Opp. Akashwani Bhawan, Rawa Bhatta, Bilaspur Road, Raipur - 493 221, State: Chhattrishgarh Phone: +91 094 79003396 Fax: NIL E-Mail: NIL
Silvassa	Plant	201/1, Sayli Rakholi Road, Silvassa - 396 230, Dadra & Nagar Haveli (D&NH) (UT) Phone: +91 0260 6993940 Fax: +91 0260 2641315 E-Mail: sanap.rt@balmerlawrie.com
Secunderabad	Marketing Office	141/2, Rashtrapati Road, Durga Bhawan, Secunderabad - 500 003, State: Telengana Phone: +91 040 27533926 / 7365 Fax: +91 040 27537365 E-Mail: prakash.r@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: blglbaroda@vsnl.net
TRAVEL & VACATIONS		
Ahmedabad	Branch Office	204, 3rd Eye Building, Panchwati Circle, C.G. Road, Ahmedabad - 380 009, State: Gujarat Phone: +91 079 26464771-73 Fax: +91 079 26464774 E-Mail: chandiwala.mv@balmerlawrie.com
Bengaluru	Branch Office	1, Ground Floor, Batra Centre, 27 & 27/1 Ulsoor Road, Bengaluru - 560 042 Phone: +91 080 25581004-08 / 25328380 / 25328382 Fax: +91 080 25580090 E-Mail: pasha.s@balmerlawrie.com
Bengaluru	Branch Office	Cosmopolitan Club, Cosmo Travel House, 22nd Cross, 3rd Block, Jayanagar, Bengaluru - 560 011 Phone: +91 080 40815322 Fax: +91 080 26637999 E-Mail: NIL
Bhubaneswar	Branch Office	2nd Floor, SCR - 59, Janpath, Unit - III, Kharvel Nagar, Bhubaneswar - 751 001 Phone: +91 674 2536225 / 178 / 154 Fax: +91 674 2536186 E-Mail: NIL

Chennai	Branch Office	Old No. 39B / New No. 46B, 1st Floor, Krishnan Complex, South Boag Road, T. Nagar, Chennai - 600 017 Phone: +91 044 42111900 Fax: NIL E-Mail: NIL
Chennai	Branch Office	Balmer Lawrie House, 628, Anna Salai, Teynampet, Chennai - 600 018 Phone: +91 044 24349593 / 9343 / 9038 Fax: +91 044 24342579 E-Mail: NIL
Coimbatore	SBU Office	Krishna Kamalam Pride (KK Pride), Flat A-Block, III Floor, 391/392 Bharathiar Road, New Siddhapudur, Coimbatore - 641 044 Phone: +91 0422 4271116 Fax: NIL E-Mail: ramanathna.n@vacationsexotica.com
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 No.4, Scope Minar Building, Laxmi Nagar, Dt. 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: Vacations: +91 040 40126565 / 6564 / 6563; Travel: +91 040 23414553, 23400642 Fax: +91 040 23406399 E-Mail: NIL
Indore	Branch Office	101, Blue Diamond, Diamond Colony, Opp. Bansi Trade Centre, Zanjeerwala Square, Indore - 452 001 Phone: 7312542455 Fax: NIL E-Mail: idr.balmerlawrie@gmail.com
Kolkata	Branch Office	21, Netaji Subhas Road, Kolkata - 700 001 Phone: +91 033 22225555 Fax: NIL E-Mail: NIL

Kochi	Branch Office	Ground Floor, Door No. 40/8147, Anarakathara Road, Shenoys 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
Mumbai	Branch Office	Shop No.: 2, Neminath Co-Op. Hsg. Soc. Ltd., Kambli Wadi, Opp Railway Station, Vile Parle [E], Mumbai - 400 057 Phone: +91 022 4214-3333 (Board line) Fax: +91 022 2612-1287 E-Mail: NIL
New Delhi	Branch Office	Upper Ground Floor, Kunchanjunga Building, Barakhamba Road, Connaught Place, New Delhi - 110 001 Phone: +91 011 49518800 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
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
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	1161/4, Chinar Apartment, Behind Hardikar Hospital, Opp. The Pride Hotel, University Road, Pune - 411 005 Phone: +91 020 25514330 / 1 / 2 / 3 Fax: +91 020 25514334 E-Mail: balmerlawrie.pune@gmail.com
Thiruvananthapuram	Branch Office	TC 09/1816(1),Ground Floor, Anugraha, Sankar Road, Sasthamangalam, Thiruvananthapuram - 695 010 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 Heavenue, 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
LOGISTICS		
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
Kolkata	Container Freight Station (CFS)	P-3/1, Transport Depot Road, Kolkata - 700 088 Phone: +91 033 24506821 / 6835 / 6813 Fax: +91 033 24498355 E-Mail: basu.prasant@balmerlawrie.com
Kolkata	Warehousing & Distribution (WD)	P-43, Hide Road Extension, Kolkata - 700 088 Phone: +91 033 24491346 Fax: +91 033 24498355 E-Mail: sau.pk@balmerlawrie.com
Kolkata	Warehousing & Distribution (WD)	1, Sonapur Road Kolkata - 700 088 Phone: +91 033 2450 6824/6825/6840 Fax: +91 033 24498355 E-Mail: jena.sk@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
Indore	Branch Office	Office No.101, Blue Diamond, 17-18, Diamond Colony, Dr. R S Bhandari Marg, Indore - 452 001 Phone: 982772716 Fax: NIL E-Mail: jain.s@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
Mumbai	Container Freight Station (CFS)	Plot No.1, Sector 7, Dronagiri Node Navi Mumbai - 400 707 Phone: +91 022 27240216 Fax: +91 022 27242943 E-Mail: raghavan.r@balamerlawrie.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		
Haryana	Temperature Controlled Warehouse (TCW)	Plot No. 1924 & 1924-A, HSIIDC, RAI, Phase - II Sonipat Haryana - 131 029 Phone: +91 9748343969 Fax: NIL E-Mail: piyush.s@balmerlawrie.com
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	32-33 Kushal Bazar, Ground Floor, Nehru Place, New Delhi - 110 019 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: vaidyanathan.k@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

Chennai	Container Freight Statuion (CFS)	32, Sathangadu Village, Thiruvottiyur - Manali Road, Chennai - 600 068 Phone: +91 044 25941813 / 25940641 Fax: +91 044 25941863 E-Mail: raghupathi.r@balmerlawrie.com
Coimbatore	Warehousing & Distribution (WD)	5/245, Thadagam Main Road, Kanuvai Coimbatore - 641 108 Phone: +91 0422 2400342 Fax: NIL E-Mail: raghupathi.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
Hyderabad	Temperature Controlled Warehouse (TCW)	Survey No. 833, Kistapur Road Village + Mandal - Medchal District - Medchal, Telangana - 501 401 Phone: 9676505656 Fax: NIL E-Mail: addagiri.n@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 CHEMICALS		
Ambur - Vaniyambadi	Technical Service Centre	4/172, Gudiyatham Road, Thuthipet, Ambur - 635 802 Vellore District, Tamil Nadu Phone: +91 04174 244468 Fax: +91 04174 244468 E-Mail: saravanakumar.v@balmerlawrie.com
Chennai	Plant & SBU Office	32, Sattangadu Village, Manali Chennai - 600 068 Phone: +91 044 25946500 Fax: NIL E-Mail: uthayaraja.rm@balmerlawrie.com
Chennai	Product Development Center	32, Sattangadu Village, Manali Chennai - 600 068 Phone: +91 044 25946604 Fax: NIL E-Mail: vijayabaskar.v@balmerlawrie.com
Chennai	Marketing Office	"Balmer Lawrie House", 628, Anna Salai Teynampet, Chennai - 600 018 Phone: +91 044 24302401 / 9444848749 Fax: NIL E-Mail: choudhury.t@balmerlawrie.com
Kolkata	Technical Service Centre	Kolkata Leather Complex, Zone Number 1, Plot No. 63A, 24 Parganas (South), PIN Code: 743 502 Phone: +91 09831498126, 09836814336 Fax: NIL E-Mail: chaudhuri.j@balmerlawrie.com
Kanpur	Technical Service Centre	2A/1(A) Jajmau, Near Supreme Petroleum Kanpur - 208 010, Uttarpradesh Phone: +91 09935061087 (M) Fax: NIL E-Mail: sinha.k@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

Balmer Lawrie turned 150 on 1st February 2017 ! – C&MD and Directors attended the celebrations held in Kolkata on 5th February.

A Land Lease Agreement was signed between Visakhapatnam Port Trust and Visakhapatnam Port Logistics Park Ltd., a wholly owned subsidiary of Balmer Lawrie for setting up the Multi Modal Logistics Hub at Visakhapatnam.

Balmer Lawrie successfully hosted the 53rd HR Summit for Oil & Gas PSUs at Vedic Village, Kolkata from 9th to 11th November 2016.

105 foreign delegates of the 9th Asia Oceanic Steel Drum Conference (AOSD) visited our state-of-the-art barrel manufacturing plant at Taloja on 1st December 2016.

SBU: Leather Chemicals participated in the 32nd India International Leather Fair 2017 held in Chennai on 31st January 2017.

SBU: Greases & Lubricants successfully organised the 19th Lubricating Grease Conference on the theme 'Latest Trends in Grease Industry', in association with National Lubricating Grease Institute (NLGI), India chapter from 2nd to 4th February, 2017 at Varanasi.

In 2016-17, 200 KWp of Solar Plant was installed at Manali, Chennai which is capable of generating 27000 units of power per month and offsetting around 300 tons of carbon dioxide each year. This plant will supply power to the Greases & Lubricants, Industrial Packaging and Leather Chemicals manufacturing units at Chennai.

Under the "Swachh Vidyalaya: Swachh Bharat Abhiyan", our Company has constructed/refurbished a total of 306 toilets in Government Schools covering states of Assam, Chhattisgarh, Haryana, Andhra Pradesh and West Bengal. Balmer Lawrie was the first PSU under MOPNG to have completed the construction of toilets on target.

150 years of commitment and beyond...

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

SINCE 1867

A Miniratna I PSE

(Under Ministry of Petroleum & Natural Gas)

Registered Office: Balmer Lawrie & Co. Ltd., 21, N. S. Road, Kolkata 700 001. Tel: 033-2222 5329

CIN: L15492WB1924GOI004835

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