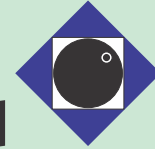


Balmer Lawrie-Van Leer Limited



**60th**  
**ANNUAL REPORT**

# 60th Annual Report 2019 - 2020

## Board of Directors

Hari Krishna Kumar (*Chairman*)  
Girish Pundlik (*Managing Director*)  
Jaime Moreno Marin  
Cristina Zeitz (*up to 17.01.2020*)  
Prabal Basu  
Dhandapani Sothi Selvam (*up to 17.01.2020*)  
Shyam Sunder Khuntia (*w.e.f. 17.01.2020 up to 30.04.2020*)  
Balaji Venkatesh Sathyanarayanan (*w.e.f. 17.01.2020*)  
Sandip Das (*w.e.f. 01.05.2020*)  
Srikumar Menon (*Independent Director up to 30.09.2019*)  
Vasudev Narayan Sharma (*Independent Director w.e.f. 01.11.2019*)  
Jozef M. Casparie (*Independent Director*)

## Senior Management Team

Sanjay Datta (*Chief Financial Officer*)  
Prakash Shenoy (*GM – Marketing, Bangalore Division*)  
A. Sathish Kumar (*GM – Operation, Bangalore Division*)  
Tushar Shirwalkar (*Head – Drum Closure Division, Mumbai*)  
Sandeep Srivastava (*Head – Plastic Division, Mumbai*)  
Manoj Dubey (*Head – Plastic Division, Dehradun*)  
Sebastian P. (*Head – Plastic Division, Chennai*)  
Mahesh Adhikari (*Head – HR*)  
Prashant Pathak (*Head – SCM*)

## Company Secretary & Chief Compliance Officer

Rajesh Juthani (*up to 30.06.2020*)  
Nilesh Shirke (*Designated Company Secretary & Compliance officer w.e.f. 01.08.2020*)

## Registered Office

D-195/2, T.T.C. Indl. Area, MIDC Turbhe,  
Navi Mumbai-400 705.  
Tel. No.: 91-22-6739 6400  
E-mail : response@blvindia.com

## Registrar & Share Transfer Agent

### Sharex Dynamic (India) Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg,  
Vikhroli (W), Mumbai-400 083.  
Tel. No.: 91-22-2851 5606/5644/6338  
Fax No.: 91-22-2851 2885  
Email: support@sharexindia.com

## Statutory Auditors

Walker Chandiok & Co. LLP

## Secretarial Auditors

N. L. Bhatia & Associates

## Bankers

Kotak Mahindra Bank Ltd  
Standard Chartered Bank  
Axis Bank Ltd  
Mashreq Bank  
HDFC Bank  
HSBC Bank  
Bank of India

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## NOTICE TO THE MEMBERS

Notice is hereby given that the 60th Annual General Meeting of Balmer Lawrie-Van Leer Limited will be held at the Registered office of the Company at D-195/2, TTC Industrial area, MIDC Turbhe, Near Turbhe Telephone Exchange, Navi Mumbai- 400 705 on Monday, 29th September, 2020 at 04.00 P.M. to transact the following business through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"):

### ORDINARY BUSINESS:

1. To receive, consider and adopt, the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Report of the Board of the Directors and Auditors thereon.
2. To declare dividend for the financial year 2019-20 on Equity Shares.
3. To appoint a Director in place of Mr. Prabal Basu (DIN: 06414341) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jaime Moreno Marin (DIN: 08214953) who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

5. **Appointment of Mr. Vasudev Narayan Sharma (DIN: 00011099) as Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149,150,152,161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, and pursuant to recommendation of Nomination and remuneration committee and Board of Directors ,Mr. Vasudev Narayan Sharma (DIN: 00011099), who has given a declaration that he meets the criteria of independence and qualifies to be appointed as an Independent Director, be and hereby appointment as an Independent Director of the Company not liable to retire by rotation, and to hold office for a term of (Three) 3 Consecutive years beginning from 1st November,2019 up to 31st October, 2022 be and is hereby approved".

6. **Appointment of Mr. Balaji Venkatesh Sathyanarayanan (DIN: 08673086 ) as Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, Mr. Balaji Venkatesh Sathyanarayanan (DIN: 08673086 ) who was appointed as Additional Director designated as 'Nominee Director' holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director be and is hereby

appointed as Nominee Director on the Board of the Company not liable to retire by rotation in terms of the Article 126 of the Articles of Association of the Company".

7. **Appointment of Mr. Sandip Das (DIN: 08217697) as Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, Mr. Sandip Das (DIN: 08217697 ) who was appointed as Additional Director designated as 'Nominee Director' holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director be and is hereby appointed as Nominee Director on the Board of the Company not liable to retire by rotation in terms of the Article 126 of the Articles of Association of the Company".

By Order of the Board of Directors  
For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai  
Dated : 12th June, 2020

**Nilesh Shirke**  
*Company Secretary*

### **Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)**

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 5 to 7

#### **In respect of item No. 5**

Mr. Srikumar Menon was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders to hold office up to 30th September 2019. Mr. Srikumar Menon has conveyed to the Board that he does not seek re-appointment as "Independent Director" due to his personal commitments. On the recommendation of the Nomination & Remuneration Committee, the Board of Directors at the meeting dated September 23, 2019 approved the appointment of Mr. Vasudev Narayan Sharma as Independent Director and a resolution was passed accepting the appointment, after taking into account the performance evaluation of the Independent Director, considering the knowledge, acumen, expertise and experience in his respective field. The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 in regards to his appointment to the office of Independent Directors.

Brief profile of **Mr. Vasudev Narayan Sharma:**

- Age 68 yrs
- Qualification – B. Tech, Chemical Engineer and Post Graduate Diploma in Business Management. And has a vast experience of 40 plus years in Manufacturing at various levels.

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The Board accordingly recommends the resolution at Item No. 5 of this Notice for the approval of Members.

None of the Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 5 of this Notice.

### In respect of item No. 6 & 7

The Company has received an intimation from M/s Greif International Holding B.V proposing the replacement of Mrs. Cristina Zeitz (DIN-07146615) on the BLVL Board due to additional responsibilities assigned to her at Greif and appointment of **Mr. Balaji V Sathyanarayanan (DIN – 08673086)**, SVP Human Resource as Director in her place. The Company has received a copy of Board resolution passed by the Board of Greif International Holding B.V. at meeting held on 13th January, 2020 confirming the withdrawal of nomination of Mrs. Cristina Paula Trigo Alves Zeitz from the Board of BLVL and nominating Mr. Balaji V Sathyanarayanan in her place to represent Greif International Holding B.V. on completion of formalities for his appointment. Company has received a letter dated 17th January, 2020 from Mrs. Cristina Zeitz informing her resignation from the Board of BLVL effective from 1st February, 2020 or the date of formal appointment of Mr. Balaji V Sathyanarayanan whichever is earlier.

Board approved appointment of Mr. Balaji V Sathyanarayanan as an 'Additional Director' (Non-Executive), liable to retire by rotation by rotation, under the Category "Promoter" subject to approval of Shareholders at the ensuing AGM.

The Company was informed wide letter dated May 01, 2020 M/s. Balmer Lawrie & Co. Limited confirming nomination of **Mr. Sandip Das (DIN 08217697)**, Director Finance, as its nominee w.e.f., 1st May, 2020. in place of Mr. Shyam Sunder Khuntia ( DIN 7475677 ). Mr. Shyam Sunder Khuntia was nominated by M/s Balmer Lawrie & Co. Ltd in place of Mr. D. Sothi Selvam (DIN 07038156) and his appointment was approved by Board w.e.f. 17th January, 2020 and ceased to be Director W.e.f. 30th April, 2020.

The Board approved appointment of Mr. Sandip Das as an "Additional Director" (Non-Executive), liable to retire by rotation under the Category of "Promoter" subjected to approval of Shareholders at the ensuing AGM.

The Board accordingly recommends the resolution at Item No. 6 & 7 of this Notice for the approval of Members.

None of the Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 6 & 7 of this Notice.

The appointments were done as per provision of the Companies Act, 2013 read with Article 126 of the present Articles of Association of the Company.

### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 "SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

Central Depository Services Limited ('CDSL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility.

2. Since this AGM is being held pursuant to the MCA Circulars 14/2020 dated April 08, 2020, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
3. A statement giving the details of the Director seeking appointment/re-appointment under Item No. 5, 6, & 7 of the accompanying Notice and other requisite information as per Secretarial Standard-2 on General Meetings, are provided in annexure attached herewith.
4. SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, members are requested to take action to dematerialize their Equity Shares in the Company, promptly.
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 5 to 7 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
6. The Board of Directors in its meeting held on June 12, 2020 declared Dividend of Rs.7.50/- (75%) per Equity Share of Rs.10/- each for the Financial Year 2019-20 payable to those Members whose name appears in the Register of Members/ Depository Participant as on September 22, 2020.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of determining Members eligible for dividend on Equity Shares, if approved by the Members.
8. The dividend on Equity Shares, if declared at the Annual General Meeting, will be paid on or before October 28, 2020 to Members whose names appear on the record of Depositories on Tuesday, September 22, 2020, close of business hours (for shares held in demat mode) and in the Register of Members of the Company (for shares held in physical mode) updated as on close hours of September 22, 2020. The dividend will be paid to the Members within the stipulated time.
9. Members are requested to immediately notify any change in their name, registered address, email id, telephone/mobile numbers, permanent account number (PAN), nominations, power of attorney, bank mandate viz. name and address of the branch of the bank, MICR code of the branch, account number with blank cancelled cheque to their Depository Participant (DP) quoting their Client IDs in case of shares held in demat form and to the Registrars and Share Transfer Agents M/s Sharex Dynamic ( India ) Pvt. Limited ( SHAREX)



(website [www.sharexindia.com](http://www.sharexindia.com)) of the Company quoting their Folio Number in case of shares held in physical form.

10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 7 days before the Annual General Meeting through email on [investors@blvindia.com](mailto:investors@blvindia.com) the same will be replied by the Company suitably.
11. Unclaimed dividends for the financial year ended March 31, 2013 shall be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government in terms of the provisions of Section 124 of the Companies Act 2013. Those members who have so far not encashed the dividend(s) from the year ended March 31, 2013 till the year ended March 31, 2019 are requested to approach the Registrars and Share Transfer Agents of the Company for payment.  
In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the information in respect of the unclaimed dividends as on the date of the 59th Annual General Meeting (AGM) held on September 23, 2019, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and also under the "Investors Section" on the website of the Company viz. [www.blvindia.com](http://www.blvindia.com).
12. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares singly are advised to avail of nomination facility in their own interest. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Depository Participant (DP)/Registrar & Share Transfer Agents. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.blvindia.com](http://www.blvindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). Members who have not registered their email address so far are requested to register their e-mail address with the Depository Participant (DP)/Registrar & Share Transfer Agents of the Company for receiving all communications from the Company electronically. In case you have not registered your email id with the DP / RTA please access the link [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html) to temporarily register your email id for obtaining Annual Report 2019-20 and e-voting login details therein.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Registrar and Share Transfer Agents (in case of shares held in physical mode) and with Depository Participant (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by September 22, 2020 by accessing the link <https://Sharex.html>. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by Tuesday, September 22, 2020 by accessing the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.

16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Members (Member holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. Who are allowed to attend the AGM without restriction on account of first come first served basis.
17. Since the AGM will be held through VC / OAVM, the Route Map is not being annexed to this Notice.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services Ltd (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by CDSL.
19. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
20. The remote e-voting period commences on Saturday, September 26, 2020 (9:00 a.m. IST) and ends on Monday, September 28, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 23, 2020 i.e. cut-off date, may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting after the above stated ending time on that date. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

Members will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-voting system.

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Members may access the same at <https://www.evoting.CDSL.com> under Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Members login where the EVSN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further Members can also use the OTP based login for logging into the e-voting system of CDSL.

21. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 23, 2020.
22. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Wednesday, September 23, 2020 only shall be entitled to avail the facility of remote e-voting as well as attending and e-voting at the AGM.
23. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Wednesday, September 23, 2020, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdsl.co.in](mailto:helpdesk.evoting@cdsl.co.in) or [evoting@sharexindia.com](mailto:evoting@sharexindia.com).

However, if the person is already registered with NSDL for remote e-voting then the person can use the existing User ID and password for casting the vote.

24. The Instructions for Members for Remote E-Voting are as under:

The way to vote electronically on CDSL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to CDSL e-Voting system at <https://www.evoting.cdsl.com/>**

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

**Details on Step 1 is mentioned below:**

- (i) The voting period begins on **26th September, 2020 at 10.00 a.m. and ends on 28th September, 2020 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - d) Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com>

from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

**PAN**

Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.

**Dividend Bank Details or Date of Birth (DOB)**

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company's records in order to log in.

If both the details are not recorded with the Depository or Company please enter the member id/ folio number in the Dividend Bank details filed as (DOB) mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of the Company.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.

**The instructions for shareholders voting on the day of the AGM on e-voting system are as under:**

- (a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- (c) If any Votes are casted by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes casted by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- (d) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the CDSL e-Voting system. Members can/may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request in advance atleast 7 days before AGM mentioning their name, demat account number/folio number, email id, mobile number at [investors@bvlindia.com](mailto:investors@bvlindia.com)
6. Members who would like to express their views/have questions may send their questions in advance atleast 7 days before AGM mentioning their name demat account number/folio number, email id, mobile number at [investors@bvlindia.com](mailto:investors@bvlindia.com) the same will be replied by the company suitably.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**Process and manner for members opting for voting through Electronic means:**

- (i) The Members whose names appear in the Register of Members / List of Beneficial Owners as on Tuesday, **22nd September, 2020 (cut – off date)** are entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (ii) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, **22nd September, 2020**, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- (iii) The remote e-voting will commence on **26th September, 2020 at 10.00 a.m. and ends on 28th September, 2020 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2020, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iv) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (v) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.

**Note for Non – Individual Shareholders and Custodians**

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (iii) After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

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- (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call (022-23058542).

Mr. N. L. Bhatia, Practicing Company Secretary (Membership No: FCS 1176 / C.P No. 422), failing him Mr. Bharat R. Upadhyay, Practicing Company Secretary (Membership No. FCS 5436 / C.P No. 4457), failing him Mr. Bhaskar Upadhyay, Practicing Company Secretary (Membership No: FCS 8663 / C.P No. 9625) have been appointed as the Scrutinizer to scrutinize the e-voting process (including the Poll Paper received from the members who do not

have access to the e-voting process) as well as voting through Poll paper at the AGM, in a fair and transparent manner.

The Chairman shall, at the AGM, allow voting with the assistance of scrutinizer, through e-voting facility as provided by CDSL for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Chairman or a person authorized by him in writing shall forthwith on receipt of the Scrutinizers report declare the results of voting. The report of the Scrutinizer shall be placed on the website of the Company [www.blvindia.com](http://www.blvindia.com) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) immediately after the declaration of result by the Company.

By Order of the Board of Directors

For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai  
Dated : 12th June, 2020

**Nilesh Shirke**  
*Company Secretary*





## Details of Directors seeking appointment/ re-appointment at the forth coming Annual General Meeting

Name of the Director	Jaime Moreno Marin	Mr. Prabal Basu	Mr. Sandip Das	Mr. Balaji Venkatesh Sathyanarayanan	Mr Vasudev Narayan Sharma
Director Identification Number (DIN)	08214953	06414341	08217697	08673086	00011099
Date of Birth / Age	31.05.1970 (50 years)	18.10.1963 ( 57 Years)	25-12-1962	02-07-1970	04-07-1952
Date of First Appointment	07.09.2018	01.01.2015	01-05-2020	01-02-2020	01-11-2019
Date of last appointment / Re-appointment at AGM	NA	07.09.2018	NA	NA	NA
Qualifications	B.E. (Electrical)	B.Com (Hons), ACA, ACMA, ACS, Graduate in Business Administration Executive Program in General Management from Sloan School of Management MIT, USA.	ACA	BE Electronics & Communications, MBA General Management & HR. Advance Management Program	B.Tech ( Chemical Engineer), P.G Diploma in Buisness Management
Experience in no of Years	More than 18 years	More Than 34 years	More tha 30 years	More than 18 years	More than 40 Years
Expertise in specific functional areas	Manufacturing (Operation, Quality Assurance, Product Development) Project Management and Marketing	Mr. Prabal Basu joined Balmer Lawrie International Trade and Marketing & Co. Ltd. in As Asst. Manager (Accounts & Finance). Mr. Prabal Basu was appointed as whole time Director, and designated as Director (Finance) in December , 2012. Mr. Prabal Basu was appointed as Chairman and Managing Director of Balmer Lawrie & Co. Ltd in August , 2015. He has vast experience in area of Accounts Finance, Tax, I.T and General Management	Mr. Sandip Das, a qualified Chartered Accountant, joined Balmer Lawrie on 24th May 1993. Prior to taking over as Director, he was holding the position of Senior Vice President [Finance].	Mr Baliji Venketesh Sathyanarayanan is has wide experience in Human Reource and General Management	Manufacturing at Various levels and General Management.
No. of Board Meetings attended during the year	3	4	NA	NA	NA
Relationship between Director inter-se	Nil	Nil	Nil	Nil	Nil
Details of shares held in Co.	Nil	Nil	Nil	Nil	Nil
a) Own					
b) For other person as beneficial owner					
List of Companies* in which Directorship held as on 31.03.2020	Balmer Lawrie-Van Leer Ltd.	Balmer Lawrie & Co. Ltd- Chairman and Managing Director Balmer Lawrie-Van Leer Ltd. – Member	Nil	Nil	Nil
Chairperson / Member of Mandatory Committees** of the Board of the Companies on which he/she is a Director as on 31.03.2020	Nil	Balmer Lawrie-Van Leer Ltd. Audit Committee as – Member Stakeholders Relationship Committies as Chairman	Nil	Nil	Nil

\* Association, Private Limited Companies, Foreign Companies, Government Bodies and Section 8 Companies are not considered.

\*\* Audit, Nomination and Remuneration (NRC), Corporate Social Responsibility (CSR) and Stake Holders Relationship (SRC).

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## DIRECTOR'S REPORT

### TO THE MEMBERS OF BALMER LAWRIE-VAN LEER LIMITED

Your Board is pleased to present 60th Annual Report of your Company along with the Audited Financial Statements and the Auditor's Report for the Financial Year ended 31st March, 2020.

### FINANCIAL HIGHLIGHTS

	STANDALONE	
	2019-20 Rs. in lakhs	2018-19 Rs. in lakhs
Revenue from Operations	43,553	49,884
Operating and Other Expenditure	38,161	44,104
Operating Profit	5,392	5,780
Add: Other Income	801	143
Profit before Interest, Depreciation and Taxes	6,193	5,923
Less: Finance Cost	980	940
Less: Depreciation	1,372	1,244
Profit Before Tax	3,841	3,739
Less: Current Tax Expenses	1,294	1,240
Less: Deferred Tax	31	57
Profit After Tax	2,516	2,442
Other Comprehensive Income	-81	-93
Total Comprehensive Income	2,435	2,349

Note: Figures have been regrouped and re-arranged where ever necessary and rounded off to nearest Rs. Lakh.

### TRANSFER TO RESERVES

The Company proposes to retain the entire amount of profits in the Profit & Loss Account.

### DIVIDEND

The Directors have recommended a dividend of Rs.7.50 per equity share (i.e. 75 % on the face value of Rs.10 per equity share) for the financial year 2019-20 (Previous Year: Rs.9.00 per share or @ 90%) subject to approval by the members at Annual General Meeting. Total outflow towards dividend on equity shares for the year would be Rs.1346 Lakh (Previous year: Rs.1948 Lakh inclusive of Dividend Distribution Tax).

### Dividend Distribution Policy

The Company follows a Dividend Distribution Policy which aims to ensure fairness, sustainability and consistency in distributing profits to its shareholders. The policy is available on the website of the Company.[website]

### COMPANY & DIVISIONAL PERFORMANCE

The statement of Standalone and has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. The Company successfully managed of business activities during the year. The Company could retain most of its customers and add new customers to its fold. The Company overall managed to maintain consistency in production and sales in physical and value term. Net Revenue from Operations during the current year was Rs. 43553 Lakh as compared to Rs. 49884 Lakh in the previous year.

The Company earned a profit before tax of Rs. 3841 Lakh as against Rs. 3739 Lakh during the previous year. Net profit after tax was at Rs. 2516 Lakh, as against a net profit of Rs.2442 Lakh in the previous year.

**Steel Drum Closure Division – Mumbai**

With the decrease of steel price over the year, the division has recorded a drop of 15% in Sales value but was able to better the PBT margin by 9.5% also. The orders position was in tandem with last year. Marginal increase in value addition is seen in last year. Marginal drop in volumes was witnessed as the division did not receive in orders from Brazil like last year.

Division has recorded revenue of Rs.8007 Lakh (net of GST) and profit before tax of Rs 423.33 Lakh during the current year as against Rs. 8919 Lakh (net of GST) and profit before tax of Rs.188 Lakh respectively achieved during the previous year.

**Steel Drum Closure Division – Bangalore**

Steel drum closures have service almost the same order quantity as previous year in respect of Drum closures, L&L, Closing ring and Rubber products. The drop in absolute sales value is predominantly due to fall in raw material prices which determine the sales price. The unit has been able to increase the gross margin with better negotiation of sale price and favorable foreign exchange.

Division has recorded revenue of Rs9869 Lakh (net of GST) and profit before tax of Rs. 1790 Lakh during the current year as against Rs. 9375 Lakh (net of GST) and profit before tax of Rs. 1709 Lakh respectively achieved during the previous year.

**Plastic Container Division – Mumbai**

The Plastic division at Mumbai witnessed a slight sluggish demand of V-20 & V 200 drums compared to last year. This coupled with major fall in polymers result in fall in absolute sales value. The unit is able to increase its value addition by 8% due to various cost reduction measures and better sales price realization by the marketing team.

Division has recorded revenue of Rs. 13689 Lakh (net of GST) and profit before Tax of Rs. 1710 Lakh during the current year as against Rs. 15239 Lakh (net revenue after GST) and profit before tax of Rs. 1270 Lakh respectively achieved during the previous year.

**Plastic Container Division – Chennai**

The plastics container division – Chennai, maintained its constant effort in increasing productivity, quality and austerity. Like all other plastic divisions, fall in polymer prices lead to a decrease in sales value. The accumulations of high value stocks at the year end, coupled with lack of sales in last fortnight of March 2020 have dragged the profitability of the unit.

Division has recorded revenue of Rs. 4955 Lakh (net of GST) and net loss of Rs. 110 Lakh during the current year as against Rs. 4254 Lakh (net of GST) and net loss of Rs. 33 Lakh respectively achieved during the previous year.

**Plastic Container Division – Dehradun**

The Plastic division at Dehradun, in its constant thrust on excellence, enhanced capacity utilization and optimization cost have posted Revenue of Rs.5898 Lakh (net of GST) and profit before Tax of Rs129 Lakh during the current year as against Rs4758 Lakh (net of central excise duty/GST) and profit before tax of Rs. 127 Lakh respectively achieved during the previous year.

**Future Prospects**

With limited scope for improving sales of Drum Closures in domestic market and exports, the Company has been focusing on adding new capacities and products in Plastic and Rubber Gasket segments.

The Company has commenced work on green field project for manufacturing Plastic Containers at Dahej in Gujarat. Construction work is in full swing. Suppliers for major plant and machinery identified and orders placed. Company expects to commence commercial production in the 3rd quarter of current fiscal year 2020-21. [ add comments

**COMMENTS ON QUALIFICATION, RESERVATION OR REMARKS IN AUDIT REPORT****Comments by Statutory Auditors**

M/s. Walker Chandio & Co. LLP, the statutory auditors has qualified their report on Standalone and Consolidated Financial statements for non-provisioning of interest expenses amounting to Rs.164 Lakh on a loan from M/s. Balmer Lawrie & Co. Limited (BL) in accordance with terms of such loan agreement. According to Statutory auditors there is overstatement of net profit and understatement of current liabilities to that extent.

M/s. Walker Chandio & Co. LLP, the statutory auditors has further qualified their report on Standalone Financial Statements for non-provisioning of diminution in value of investment amounting to Rs.1818 Lakh in joint venture Company viz., Transafe Service Limited (TSL) due to significant accumulated losses and erosion of net worth of TSL.

**Board's Response**

A strategic investment was made in acquiring 11,361,999 Equity Shares of TSL in 2009 by availing 100% loan from BL. Subsequent to the investment TSL has been continuously making losses. Consequent to losses and erosion of net worth, the value of investment held by the Company became negative.

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Company is of the view that the Company's financial interest are protected even in the unlikely event of net worth of TSL being not restored as per clause 1.3 of the Loan Agreement dated 31st July, 2009 executed between Company as "Borrower" and BL as "Lenders" which confirms that erosion in value of investment will have no financial impact on the Company.

As per the legal opinion obtained on clause 1.3 of the Loan Agreement, it was advised that the loan availed by the Company from BL is a non recourse loan and therefore there will be no loan repayment liability on Company on expiry of the agreement. Validity of the said agreement has been extended up to 132 months from the date of disbursement.

Meanwhile Company after written communication to BL has stopped accruing interest liability in books and has not paid any interest on this loan since 1st April, 2010. BL as lender has also not raised any claim so far.

Since the loan is a non recourse, the Company is neither liable for re-payment of loan / interest nor provide for diminution in value of investment. Both Investment in shares and Loan liability should get offset at the end of agreement period.

TSL has on hand orders for manufacturing of containers. However, the Company has been facing severe fund problem due to non-availability of working capital. Accounts with all banks have become non-standard due to non-servicing of interest and default in principal re-payment. TSL has been negotiating with various lenders for capital infusion and providing working capital to turn operations around.

## **SUBSIDIARIES, JOINT VENTURES AND CONSOLIDATED FINANCIAL STATEMENTS**

Your company has no subsidiary Company as at year end.

### **Joint Venture (JV)**

The Hon'ble National Company Law Tribunal, Kolkata ('NCLT') vide its Orders dated 11th November 2019 has admitted applications filed by operational creditors against Transafe Services Limited, and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC), consequently the Board stands suspended and the control is vested with the Resolution Professional, and Transafe Services Limited ceases to be a Joint venture of our Company.

Pursuant to Section 129(3) of the Companies Act, 2013 (the Act) salient features of the Subsidiaries, & Joint Venture Companies in prescribed Form AOC-1 is annexed herewith as "Annexure-A" and forms part of the Board's Report.

## **PUBLIC DEPOSITS**

Your Company has not accepted any deposits from the Directors, shareholders, public or any other person during the financial year 2019-20 under review.

## **SHARE CAPITAL**

The Authorized Share Capital of your Company is 1900 Lakh. The Company has neither issued any fresh share capital with or without differential voting rights nor issued employee stock options or sweat equity shares during the financial year under review. The Company does not have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2020 none of the Independent Director holds Equity shares of the Company. No other Director holds any shares in the Company.

## **LOANS, ADVANCES, GUARANTEES AND INVESTMENTS**

Your company has neither given any loan directly or indirectly nor given any guarantee or provided any security in connection with loan to any person or body corporate and has also not acquired by way of subscription, purchase or otherwise any security of any other body corporate during the financial year under review.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

## **RELATED PARTY TRANSACTIONS**

During the year under review , all transactions entered into with the Related Parties were in the ordinary course of business, commercially negotiated with due considerations to volumes, market conditions, geographical locations, competition, selling prices prevailing in those markets and were at arm's length. Hence those transactions do not attract the provisions of Section 188 of the Act. During the financial year under review there were no materially significant Related Party Transactions that would have required shareholder's approval.

At the beginning of financial year prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature in course of business. Details of transactions with Related Parties are placed on quarterly basis before the audit committee for review and approval.

Related Party Transactions are provided in details in the notes to the accompanying financial statements and a disclosure pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 thereof in form AOC-2 is annexed herewith "Annexure-B" forming part of the Board's Report.

**UNCLAIMED DIVIDEND & TRANSFER OF SHARES**

During the financial year under review there was no unpaid/unclaimed dividend amount or shares due for transfer to Investor Education & Protection Fund. As per company record an amount of Rs. 51 Lakh pertaining to year 2012-13 to 2018-19 is lying in unpaid/unclaimed dividend account with the Bank as on 31st March, 2020. Individual notices have been sent to shareholders to lodge their claims either with the Company or Sharex Dynamic (India) Private Ltd., Registrar and Share Transfer Agent (RTA). The Company has uploaded the details of unpaid/unclaimed amounts of past seven years as on last Annual General Meeting i.e. 23rd September, 2019 on Company website [www.blvindia.com](http://www.blvindia.com) and MCA website [www.mca.gov.in](http://www.mca.gov.in)

Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016 as amended from time to time, after giving necessary intimation to the members, 255470 shares in respect of which dividend had remained un-paid/ un-claimed for the financial year 2010-11 and for seven consecutive years thereafter have been transferred by the Company to the Authority on December 03, 2019. A list of shares already transferred and due for further transfer during the financial year 2019-20 is available on the Company website [www.blvindia.com](http://www.blvindia.com) and MCA website [www.mca.gov.in](http://www.mca.gov.in)

Shares and unpaid/unclaimed dividend transferred to IEPF Authority can be claimed back by the members from IEPF Authority by following procedures prescribed under IEPF Rules available on MCA website [www.mca.gov.in](http://www.mca.gov.in)

**DIRECTORS AND KEY MANAGERIAL PERSONNEL****Composition**

Your Company is managed by a Professional Board with Directors having qualification, proficiency in finance, business administration, sales, general management and experience of working in large corporate. Board of Directors, through various Committees provide leadership, guidance to the management and supervises the performance of the Company. Composition of the Board is in conformity with the Act.

As on 31st March, 2020, the Board was comprised of Non-Executive Chairman, Managing Director, 4 [four] Non-Executive Directors and 2 [two] Independent Directors.

Managing Director has been entrusted with the day to day management of the Company under the supervision of the Board and reports to the Chairman of the Board. None of the Directors hold office in more than 20 [twenty] companies or more than 10 [ten] public companies. None of the Directors is member of more than 10 [ten] Committees and Chairperson of more than 5 [five] mandatory Committees.

**Change in composition**

During the year under review, Mr. Girish Pundlik has been appointed as Managing Director of the Company for a term of 3 [three] Years with effect from 1st April, 2018.

**Appointment**

Mr. Balaji Venkatesh Satyanarayanan (DIN: 08673086) SVP Human Resources, has been nominated by Greif International Holding B.V. as member on the Board with effect from January 17, 2020. Mr. Balaji Venkatesh Satyanarayanan shall be liable to retire by rotation under Section 152 of the Companies Act, 2013.

Mr. Shyam Sunder Khuntia (DIN: 07475677) , Director Finance, has been nominated by Balmer Lawrie & Co. Ltd., as member on the Board with effect from January 17, 2020. Mr. Shyam Sunder Khuntia shall be liable to retire by rotation under Section 152 of the Companies Act, 2013. Mr. Shyam Sunder Khuntia ceased to be Director of Company consequent to retirement from service of M/s Balmer Lawrie & Company Ltd., w.e.f 30th April, 2020.

Mr. Vasudev Narayan Sharma, (DIN No. 00011099) was appointed as Independent Director effective form November 01, 2020. Mr. Vasudev Narayan Sharma shall not be liable to retire by rotation.

**Retirement**

During the year under review Mr. Dhandapani Sothi Selvam (DIN: 07038156) Director of the Company, upon withdrawal of nomination by Balmer Lawrie & Co. Ltd., ceased to be Director of the Board and member of Board Committees with effect from January 17, 2020. Your Directors wish to place on record their sincere appreciation of significant contribution made by him in his tenure.

During the year under review Mrs. Cristina Paulo Alves Zietz (DIN: 07146615) Director of the Company, upon withdrawal of nomination by Balmer Lawrie & Co. Ltd., ceased to be Director of the Board and member of Board Committees with effect from January 17, 2020. Your Directors wish to place on record their sincere appreciation of significant contribution made by him in his tenure.

Mr. Sri Kumar Menon, Independent Director, ( DIN No, 00470254) who was appointed as an Independent Director for a term of five years with effect from 1st October, 2014, ceases to be member on the Board whose term expired at end of 58th Annual General Meeting and retired effective form 30th September, 2020.

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In accordance with the provisions of Section 152 of the Act, Mr. Jaime Moreno Marin (DIN: 08214593) retire at the forthcoming annual general meeting by rotation and is eligible for re-appointment.

In accordance with the provisions of Section 152 of the Act, Mr. Prabal Basu (DIN: 06414341) retire at the forthcoming annual general meeting by rotation and is eligible for re-appointment.

The brief resume of the Directors seeking appointment and re-appointed during the year is annexed to the Notice.

### **Independent Directors**

Pursuant to notification no.GSR 839(E) dated. 5th July, 2017 and clarification thereto vide general circular no. 09/2017 issued by the Ministry of Corporate Affairs [MCA] your company strictly speaking does not require independent Directors on its Board. Mr. Vasudev Narayan Sharma and Mr. Jozef Martinus Casparie, Independent Directors continues to be on the Board and Board Committees in terms of their appointment.

Mr. Vasudev Narayan Sharma who was appointed as an Independent Director for a term of [3] Three years with effect from November 11, 2020, will to be member on the Board and Board Committees.

Mr. Jozef Martinus Casparie who was appointed as an Independent Director for a term of five years with effect from 8th May, 2015, will cease to be member on the Board and Board Committees after the conclusion of 60th annual general meeting to be held on or before 30th September, 2020.

Independent Directors are not liable to retire by rotation as per Section 149(13) of the Act.

Both Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

Independent Directors met on January 17, 2020 without the attendance of Non-Independent Directors and members of management as required under Schedule IV to the Act (Code for Independent Directors) and reviewed the performance of Non-Independent Directors and the Board as a whole; performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board as may be necessary, for the Board to effectively and reasonably perform its' duties.

All the Directors of the Company have confirmed that they are not disqualified in terms of Section 164 of the Act as at the year end.

### **Key Managerial Personnel (KMP)**

As on 31st March, 2020 Mr. Sanjay Datta, Chief Financial Officer and Mr. Rajesh Juthani, Company Secretary were the KMP's of the Company. Mr. Rajesh Juthani, Company Secretary, superannuated and retired from services of the Company w.e.f. 30th June 2020 and in his place Mr. Nilesh Shirke, Company Secretary has been appointed w.e.f. 1st July 2020.

### **Board Meetings and Attendance of Directors**

During the financial year 2019-20, the Board of Directors met 4 [four] times on 14.05.2019, 27.07.2019, 23.09.2019 and 17.01.2020 and the gap between two consecutive meeting never exceeded period of 120 days. All meetings of Board of Directors were duly convened and held as per the provisions of Section 173 of the Companies Act, 2013, rules made there under and applicable secretarial standards.



The Board Composition, category of Directors, attendance at the Board Meetings, Annual General Meeting, number of Directorship and committee position of each Directors in public companies are given below:

Name of Director	Category	No. of Board Meeting attended during 2019-20	Attendance at the 59th AGM held on 23rd September, 2019	No. of Directorship* as on 31.03.2020		No. of Committee position in Mandatory Committees** as on 31.03.2020	
				Chairman	Member	Chairman	Member
Mr. Hari Krishna Kumar (DIN:06508909)	NENC	4	Yes	1	—	—	2
Mr. Girish Pundlik (DIN:08099591)	MD	4	Yes	—	1	—	1
Mr. Prabal Basu (DIN:06414341)	NEND	4	Yes	1	1	2	2
Mr. D. Sothi Selvam (DIN:07038156) up to 17.01.2020	NEND	3	—	—	—	—	—
Mrs. Cristina Zeitz (DIN:07146615) up to 17.01.2020	NEND	2	—	—	1	—	—
Mr. Jaime Moreno Marin (DIN: 08214953)	NEND	3	Yes	—	1	—	—
Mr. Srikumar Menon (DIN:00470254) up to 30.09.2020	ID	3	Yes	—	—	—	—
Mr. Jozef M Casparie (DIN:07168391)	ID	4	Yes	—	1	2	1
Mr Vasudev N Sharma (DIN: 11099)w.e.f 01.11.2019	ID	1	—	—	1	—	2
Mr Shyam Sunder Kuntia (DIN:7475677) up to 17.01.2020	NEND	1	—	—	—	—	—
Mr. Balaji Venkatesh Sathyanarayanan (DIN: 8673086) w.e.f 17.01.2020	NEND	1	—	—	1	—	—
Mr. Sandip Das (Din: 08217697) w.e.f 01.05.2020	NEND	0	—	—	4	—	1

NENC – Non Executive Nominee Chairman

NEND – Non Executive Nominee Director

ID – Independent Director

\* Excluding Associations, Private Limited Companies, Foreign Companies, Govt. Bodies and Companies under Section 8 of the Act.

\*\* Audit, Nomination and Remuneration (NRC), Corporate Social Responsibility (CSR) and Stakeholders Relationship (SRC).

## POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

### APPOINTMENT

As per Articles of Association of the Company unless otherwise determined by the Company in general meeting the number of Directors shall not be less than six and not more than twelve excluding Debenture Director, if any.

Further as per Articles of Association so long Greif International Holding B.V., Amsterdam and Balmer Lawrie & Co. Limited, Kolkata, continue to hold together more than 50 % of the Paid up Equity Capital of the Company, each are entitled to nominate one or more Director on the Board of the Company from time to time. The Directors so appointed/ nominated shall hold office until there is withdrawal of nomination or removal.

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Further as long as Greif International Holding B.V. holds more than 25 % of the Total Paid up Equity Capital of the Company, is entitled to appoint any of their nominee Directors as Chairman of the Board. Similarly as long as Balmer Lawrie & Co. Ltd. holds more than 25% of the Total Paid up Equity Capital of the Company is entitled to appoint any of their nominees Director as the Managing Director or Vice Chairman of the Company.

**Both Greif International Holding B.V. and Balmer Lawrie & Co. Ltd. held 47.91 % each in total paid up equity capital of the Company. Both have nominated three Directors each on the Board of the Company. Directors other than Chairman and the Managing Director are subject to retirement by rotation as per the provisions of the Companies Act.**

The NRC has formulated the criteria for determining qualifications, attributes and independence of Directors in terms of the provisions of the Act.

### Qualifications

A transparent nomination process is adopted which encourages diversity of thought, experience, knowledge, age and gender. It is generally ensured that the Board has diversity with an appropriate blend of functional and industry expertise. While recommending the appointment of Director, the NRC considers the functional and domain expertise of the individual necessary to discharge board functions effectively and contribute to the overall skill mix of the Board.

### Positive attributes

In addition to the duties as prescribed by the Act, the Directors on the Board of the Company are also required to demonstrate high standards of ethical behavior, strong inter-personal and communication skills and soundness of judgment. Independent Directors are additionally expected to abide by the "Code for Independent Directors" as outlined in Schedule IV of the Act.

### Independence

A Director will be considered as an Independent, if he / she meets the criteria of "Independence Director" as laid down in the Act and Rules made there under.

### REMUNERATION

The Company has defined Remuneration Policy for the Directors, Key Managerial Personnel and other employees. The Managing Director is paid remuneration by way of monthly salary, benefits, allowances, perquisites and performance based commission/ incentive within limits specified in Schedule V of the Companies Act, 2013. Remuneration and annual increment to Managing Director, KMP and senior management team is guided by the compensation structure laid down by the Nomination and Remuneration Committee ("NRC") and approved by the Board. Compensation structure is reviewed periodically by the NRC and any revision thereof is approved by the Board.

No sitting fee is paid to Managing Director and Non-Executive Directors. Independent Directors are paid sitting fees for attending every Board and Board Committee meetings but not entitled to any other remuneration.

### BOARD EVALUATION

All the Board and Board Committee members except Independent Directors are nominees of joint venture partners. Performance of nominee director is evaluated by joint venture partners before nomination.

During the financial year Board carried out independent evaluation of its own performance, of the individual Directors and working of its Committees pursuant to the provisions of the Act. The NRC has defined the evaluation criteria and procedure of evaluation process for the Board, its' committees and individual Directors. Accordingly the performance was evaluated by seeking input from all Directors.

The Board's functioning was evaluated on various aspects including inter alia size / structure / composition of the Board (qualifications, experience, competency of Directors, diversity in Board etc.), Meetings of the Board (frequency, attendance, agenda, discussion and dissent, recording of minutes etc.), functions of the Board ( strategy and performance evaluation, corporate culture and values, governance and compliances, evaluate and address risks, review of Board evaluation, evaluation of management's function and feedback, effectiveness of Board process etc.).

Individual Directors were evaluated on aspects like professional qualification, prior experience especially experience relevant to the Company, knowledge on finance and accounts, competency, availability and attendance, participation, integrity, independence and guidance to the management. The Chairman was also evaluated on aspects of his role (effectiveness of leadership, ability to steer and conduct meetings, impartiality, ability to keep all stakeholders interest in mind etc.) and effectiveness as Chairman.

The Board Committees were evaluated on aspects like mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings; attendance, agenda, discussion and dissent; recording of minutes; independence for the Board; contribution to the decision making process and quality of relationship with members of Board and management.





#### AUDIT COMMITTEE

Audit Committee functions in accordance with the terms of reference specified by the Board. Committee deliberates on the matter referred to it by the Board and all the decisions/recommendations of the Committee are placed before the Board for its approval. The minutes of each Audit Committee meetings are placed at the Board meeting for noting.

#### Composition and Attendance during the year

Audit Committee is constituted in accordance with the provisions of Section 177 of the Act. All the members of Audit Committee are financially literate. Mr. Josef Casparie, was designated as Chairman of the Committee, in place of Mr. Srikumar Menon who has retired on 30th September 2019. Mr. Josef Casparie has proficiency in general management, finance, accounting, manufacturing and engineering. Company Secretary acts as Secretary to the Committee.

Audit Committee met 4 [four] times during the year on 14.05.2019, 27.07.2019, 23.09.2019 and 17.01.2020. The meetings of the Audit Committee are usually attended by Managing Director, Chief Financial Officer, Company Secretary and representatives of the Internal and Statutory Auditors. Business and Unit Heads are invited for the meeting as and when required. There was a change in composition of the Committee; Mr. Vasudev Narayan Sharma was appointed in place of Mr. Srikumar Menon.

The composition of the Audit Committee and the details of meeting attended by the Directors are given below:

Name of the Member	Category	No. of Meetings Attended	Attendance at AGM held on 07.09.2018
Mr. Srikumar Menon, (up to 30.09.2019)	Independent Director	1	Yes
Mr. Jozef M Casparie, Chairman (w.e.f 30.09.2019)	Independent Director	4	Yes
Mr. Prabal Basu, Member	Non-Executive Nominee Director	4	Yes
Mr. Vasudev Narayan Sharma, Member	Non-Executive Nominee Director	1	Yes

#### NOMINATION AND REMUNERATION COMMITTEE (NRC)

NRC functions in accordance with the terms of reference specified by the Board which is as under:

- To identify eligible and qualified person for Directorship, senior management team
- To lay down criteria for selection of Director, KMP and senior managers
- To formulate compensation policy for Directors, Key Managerial Personnel and other Employees
- To formulate the criteria for evaluation of Board and Independent Director, evaluate the performance and suggest action for improvements.
- To recommend to the Board regarding appointment, continuation, extension, removal, compensation and annual increments to Managing Director, KMP, senior employees.
- To work and guide Board on succession plan.

#### Composition and Attendance during the year

NRC is constituted in accordance with the provisions of Section 178(1) of the Act. Mr. Prabal Basu is the Chairman of the Committee and Company Secretary acts as the Secretary to the Committee. There was one change in composition of the Committee during the year.

NRC met once during the year on 26.07.2019

The composition of the NRC and the details of meeting attended by the Directors are given below:

Name of the Director	Category	No. of Meetings Attended
Mr. Prabal Basu, Chairman	Non-Executive Nominee Director	1
Mr. Hari Krishna Kumar, Member	Non-Executive Nominee Chairman	1
Mr. Vasudev Narayan Sharma, Member	Independent Director	—
Mr. Jozef M Casparie, Member	Independent Director	1

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## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ('CSR') & INITIATIVES

CSR Committee functions in accordance with the terms of reference specified by the Board which is as under:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Oversee the Company's conduct with regard to its Corporate and societal obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Monitor the CSR Policy and expenditure of material subsidiaries.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. In terms of the Companies Act, 2013, the Company was required to spend Rs. 64 Lakh during the financial year 2019-20. As against this the Company has spent Rs. 66 Lakh under various initiatives. The Company has proposed to spend the entire amount during the financial year 2019-20. The Annual Report on CSR Activities which forms part of the Director's Report is annexed as "Annexure C" to this report.

### Composition and Attendance during the year

The CSR Committee of the Company is constituted in accordance with the provisions of Section 135 of the Act. Mr. Jozef M. Casparie is the Chairman of the Committee and Company Secretary acts as the Secretary of the Committee. There was one change in composition of the Committee during the year. Mr. Srikumar Menon ceased to be member of the Committee with effect from September 30, 2019. The Committee met once during the year on July 26, 2019.

The composition of the CSR Committee and the details of the Meetings attended by the Directors are given below:

Name of the Director	Category	No. of Meetings Attended
Mr. Jozef M Casparie, Chairman	Non-Executive Independent Director	1
Mr. Hari Krishna Kumar, Member	Non-Executive Nominee Chairman	1
Mr. Prabal Basu, Member	Non-Executive Nominee Director	1

## STAKEHOLDERS RELATIONSHIP COMMITTEE ('SRC')

SRC functions in accordance with the terms of Reference specified by the Board which is as under:

The terms of reference of the Stakeholders Relationship Committee (SRC) are as follows:

- Oversee and review all matters related to the transfer of shares
- Approve issue of duplicate share certificates against share certificates reported as lost, torn, mutilated, destroyed, re-materialization, sub-division, consolidation etc. as and when requested by investor(s).
- Review movements in shareholding and ownership structure of the Company
- Oversee compliance in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee compliance in respect of transfer of shares to the Investor Education and Protection Fund in accordance with the provisions of the Act and Rules made there under as applicable from time to time.
- Review the status and resolve the grievance of the shareholder, if any, with respect to transfer of shares, transmission, non-receipt of dividend, annual report etc.,
- Oversee statutory compliance relating to shareholders.

### Composition and Attendance during the year

The SRC is constituted in accordance with the provisions of Section 178 (2) of the Act. Mr. Prabal Basu is the Chairman of the Committee and Company Secretary acts as Secretary to the Committee. There was one change in composition of the Committee during the year. The Committee met [3] three times on 14.05.19, 26.07.19 and 17.01.19 respectively.



The composition of the SRC Committee and the details of meeting attended by the Directors are given below:

Name of the Director	Category	No. of Meetings Attended
Mr. Prabal Basu, Chairman	Non-Executive Nominee Director	1
Mr. Girish Pundlik, Member	Managing Director	1
Mr. Sandip Das (w.e.f 01.05.2020)	Non-Executive Nominee Director	—

In addition to SRC the Board has also constituted a committee of officers consisting of Company Secretary Mr. Nilesh Shirke, Company Secretary and Mr. Prashant Mujumdar, Dy. General Manager (Accounts, Costing & MIS) primarily to approve the physical share transfers and endorse the share certificate received for transfer.

The Share Transfer Committee during the year met [10] to approve request for transfer for physical shares.

There were no valid Share Transfers or investor grievances pending for action as on 31st March, 2020

#### DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance system established and maintained by the Company, work performed by internal, statutory and Secretarial auditor, including audit of the internal finance controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the Audit Committee, your Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2018-19.

Pursuant to Section 134 (3) (c) and 134 (5) of the Act, the Board of Directors to the best of their knowledge and understanding confirms that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation where ever material departures;
- II. The Management has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss of the Company for the year ended 31st March, 2020.
- III. The Management has taken proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Management has prepared the accounts for the financial year ended on 31st March, 2020 on a 'Going Concern' basis;
- V. The Management has devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and is operating efficiently.

#### STATUTORY AUDITORS

M/s. Walker Chandio & Co. LLP Chartered Accountants, (Firm Registration No. 001076N/N500013) have completed one term of five consecutive years and have been re-appointed at the 58th Annual General Meeting held on 7th September, 2018 as Statutory Auditors for second term of five years i.e. from financial year 2018-19 to 2022-23. The company has obtained necessary consent and confirmation from the statutory auditor as required under Section 141 of the Companies Act, 2013 and the Rules made thereunder.

#### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. N. L. Bhatia & Associates, Practicing Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Auditor's Report does not have any adverse remarks with respect to following procedures as per Secretarial Standard. The Secretarial Audit Report for the Financial Year 2019-20 is annexed to this Report as "Annexure D".

#### Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### MAINTENANCE OF COST RECORDS AND AUDIT

The Company has maintained cost records in respect of Company's products as specified by the Central Governments under Section 148(1) of the Companies Act, 2013. However Central Government has not prescribed audit of cost records for products manufactured by your Company.

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

The Company has in place a Whistle Blower Policy to provide a formal vigil mechanism to employees and other stakeholders to report their genuine concern, generic grievances, misconduct, actual or suspected fraud, misappropriation of funds / assets or violation of code of conduct or ethical issues. The Policy provides for protection to whistle blower from victimization for providing the information and the whistle blower has direct access to the Chairman of the Audit Committee.

During the financial year under review one complaint was received by the Company. The Chairman of the Audit Committee conducted an investigation / inquiry by speaking to all interested parties as also by taking feedback from the Managing Director. The finalized report was submitted to the Company which was resolved and corrective actions were taken against the concerned employees. They opted to resign were relived w.e.f. 22nd November, 2019 and a revised bidding process for finalization of vendor was adopted by the Company. The Whistle Blower Policy is available on the Company's website at <http://www.blvlindia.com>

## **RISK MANAGEMENT POLICY**

The Company has in place a Risk Management policy. Potential risks as perceived and felt by the respective unit heads and marketing head were reported on a quarterly basis to the Chief Financial Officer, who in turn assessed its' financial and business impact and presented a summarized Risk report on half yearly basis to Managing Director. Managing Director then presented report to the Audit Committee and Board of Directors on annual basis.

Some of the major risks identified and action taken are as under:

### **Dependency on single supplier for HMHDPE and consolidation of capacities in steel sector**

Company has initiated the process of placing part orders on alternative suppliers

### **Impact of Fluctuation in foreign exchange rates on Company Performance**

Company has natural hedging for imports to the extent of exports. Company has adopted a policy of hedging 50 percent of the remaining exposure by booking forward contract with banks.

### **Risk of non-compliance on sustainability of operations**

There has been significant increase in compliance requirements under various acts and statute over the last few years which can affect the sustainability of the Company's operation and have financial implication. Compliance is regularly monitored by the Management, the Internal Auditors, and Audit Committee. The compliance is also reviewed periodically by the Board.

## **HUMAN RESOURCE (HR)**

Your Company has adopted an employee friendly HR process to ensure individual growth and personal development opportunities to all without discrimination. The Company's HR Policy is designed to attract and retain talent, ensure transparency, facilitate development, trust building and encourage performance oriented work culture. Desired employees are given opportunities to attend both in-house and external training programs to keep themselves updated on current affairs, best industry practices and enrichment of professional knowledge/skill.

Company also organizes visits to local and overseas plants of promoter companies, trade expo and conferences related to their work for improving technical skill and expertise. Company believes in fair compensation to its employees in line with industry standards and is based on individual and Company performance. Compensation include fixed and variable component linked to Key Result Areas (KRA) score.

Company has well documented policy to prevent gender discrimination and sexual harassment. Company has set up vigil mechanism in the form of whistle blower policy to prevent wrongdoing and discourage unethical practice.

Industrial relations remained cordial at all locations. Long term wage settlement (LTS) with permanent workmen at Drum Closure Division at Mumbai and Bangalore was finalized on terms of mutual agreement. Settlement was done through negotiation and persuasion from both sides. Company ensures payment to workmen in compliance with guidelines issued by local, state and central authorities from time to time. Company also keeps in mind the long term workforce development, skills, traits and knowledge while making addition to workmen strength.

## **ENVIRONMENT HEALTH AND SAFETY**

Your Company gives utmost importance and is deeply concerned about the safety of the people, processes and environment. The Company has taken a challenge to ensure zero accidents or injuries to its employees, contract workforce and the communities in which it operates. Each minor and major accident is analyzed for root cause, corrective actions taken and closely monitored to avoid re-occurrence. The Company regularly organizes safety training program in house to bring awareness and emphasize on adhering to health and safety standards. The Company has automated several manufacturing processes to eliminate safety concern associated with human error and non-adherence to safety standards and practices.



The Board reviews the performance against set standards and guides on deficiencies and corrective actions, if any. A surveillance audit under ISO 9001 is held by an external agency.

The Company has installed effluent treatment plant at Mumbai Unit to treat and neutralize the processed water as per state pollution control board norms before discharge to common effluent treatment plant. The Company has set up zero discharge plants at Bangalore and is further installing Multi Effect Evaporation plant. Hazardous wastes generated are handled and disposed off in the manner prescribed by the statutory authorities. Similar developments are planned for the upcoming units.

All the manufacturing units continue to be fully compliant with applicable local environmental regulations and have obtained necessary consent from respective authorities for emission of effluents and disposal of hazardous wastes.

### **INTERNAL CONTROL SYSTEMS**

The Company has devised internal control policies, procedures, delegation of authorities and authority levels keeping in mind the size of the organization, taking care of growth rate and for achieving the Company's objective efficiently and economically. The adequacy, designing, operations and effectiveness of manual and automated internal controls are reviewed by the Internal and Statutory Auditors through periodic audits. Internal audit plan for the financial year is approved by the Audit Committee. Periodic audit reports are presented and reviewed and actions initiated are monitored by the Audit Committee.

Company's internal control systems are designed to ensure:

- Accuracy and completeness of the Accounting records in compliance with applicable accounting standards
- Adherence to Company's policies
- Timely preparation of reliable financial / operational information
- Orderly and efficient conduct of the Company's business
- Compliance with applicable laws, statutes, internal procedures and practices
- Safe guard of assets and their proper usage
- Prevention and detection of frauds and errors.

These controls were reviewed by the internal auditors and the statutory auditors have confirmed in their report to the members that such controls were adequate and operating effectively.

In addition, Board reviews quarterly and annual performance vis-a-vis budget and discuss the reasons for variances with senior management team. Annual Revenue and capital expenditure Budget of each units and Company is approved by the Board.

### **DISCLOSURES**

#### **Material Changes and Commitments**

Subsequent to the close of the financial year 2019-20 there has been no material change and/or commitments having an adverse impact either on the financial parameters or sustainability of the Company.

#### **Change in Nature of Business**

There has been no change in the nature of business of the Company.

#### **Significant and material orders by the Regulators or Courts or Tribunals impacting the Company's going concern status and operations in future.**

During the period under review, no such order has been passed by any court or Tribunal or Regulator having an adverse impact on the going concern status and Company's operations in the future.

#### **Disclosure under Section 22 of the Sexual Harassment of Women at workplace**

Company has framed a Policy for Prevention of Sexual Harassment of Women at Workplace provides and has constituted an Internal Committee to provide protection to women employees from any sort of misbehavior, misconduct or against gender discrimination and to redress the complaints, if any, received from the complainant. No case of harassment or complaint is reported during the financial year under review.

### **PARTICULARS OF EMPLOYEES**

#### **(Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as amended.**

There were no employees drawing remuneration in excess of limits specified as on 31st March, 2020.

Particulars of employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 are required to be annexed to the Board's Report. In accordance with the provisions of section 136 of the Act, the Annual Report

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excluding the aforesaid information is being sent to all the members of the Company and other entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

## Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

## Significant and material Orders passed by the Regulators/Courts, if any

There are no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

## Material changes & commitment if any, affecting financial position of the Company from the end of financial year till the date of the report

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report.

## Green Initiatives

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 60th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/ Depository Participant(s).

## Emergence of Covid-19

Towards the end of the financial year, the World Health Organization (WHO) declared Covid-19 a pandemic and the outbreak, is seen having an unprecedented impact on people and economies worldwide. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown supported by State and Local authorities all throughout India to contain the outbreak of Covid-19 pandemic. The operations were disrupted at most of manufacturing facilities of the Company. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. It is focused on controlling the fixed costs, maintaining liquidity and closely monitoring the supply chain to ensure that the manufacturing facilities operate smoothly.

In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its plant locations, various branch offices and the head office. The plants followed the lockdown period and on receipt of necessary permits under essential services resumed operations. The office based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the government advisories and guidelines thoroughly and in good faith.

## EXTRACT OF ANNUAL RETURN

An extract of the Annual Return in Form MGT-9 in compliance with Section 92 of the Companies Act, 2013 read with applicable Rules made there under is annexed to this report as "Annexure-E".

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 are annexed to this Report as "Annexure-F".

## APPRECIATION

The Board of Directors wish to place on records its appreciation for the continued support and guidance provided by JV Partner i.e., Greif International Holding B.V. and Balmer Lawrie & Co. Ltd., its' employees, shareholders, customers, vendors, service providers, bankers and other business associates for their continued commitment, support and patronage.

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**  
*Chairman*  
(DIN: 06508909)

**GIRISH PUNDLIK**  
*Managing Director*  
(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020

**ANNEXURE: A****Form AOC – I**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

**Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint ventures**

**Part “A”: Subsidiaries**

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

**Part “B”: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:**

Name of Associates/Joint Ventures	*Transafe Services Limited
<b>1. Latest audited Balance Sheet Date</b>	31st March, 2020
<b>2. Shares of Associate / Joint Ventures held by the company on the year end</b>	
No. of shares.	1,13,61,999
Amount of Investment in Associates / Joint Venture (Rs. in lakhs)	1,818
Extent of Holding %	50
<b>3. Description of how there is significant influence</b>	Company has right to appoint equal no. of Directors as other Joint Venture Partner
<b>4. Reason why the Associate / Joint venture is not consolidated</b>	Pursuant to Ind AS
<b>5. Net Worth attributable to Shareholding as per last audited Balance Sheet as at 31st March, 2020 (Rs. in lakhs)</b>	(0)
<b>6. Profit / (Loss) for the year (Rs. in lakhs)</b>	(0)

\* By NCLT order dated 11.11.2019, the entity is in corporate Corporate Insolvency Resolution Process (CIRP)

- Names of Associates or Joint ventures which are yet to commence operations: **None**
- Names of Associates or Joint ventures which have been liquidated or sold during the year: **None**

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**  
Chairman  
(DIN: 06508909)

**GIRISH PUNDLIK**  
Managing Director  
(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020

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## ANNEXURE-B

### FORM NO. AOC-2

**Form for disclosures of particulars of contracts /arrangements entered into by the Company with related parties referred to in Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2019-20.

2. Details of material contracts or arrangements or transactions at arm's length basis:

(a) Name of the related parties and nature of relationship:

Refer Note No. 38 (I) of the Standalone Financial Statements annexed herewith.

(b) Nature of contracts/arrangements/ transactions:

Refer Note No.38 (II) of the Standalone Financial Statements for related party transactions.

(c) Duration of the Contract/arrangements/transactions:

Normal business transactions in ordinary course of business on an ongoing basis.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Sale/Purchase of raw material/stores/services, Payment of lease rent/ commission, Availing/Re-payment of loan/payment of interest on such loan, Re-imbusement of Expenses and other transactions as indicated in Note No. 38(II) of the Standalone Financial Statements annexed herewith.

(e) Date(s) of approval by the Board, if any:

Board has granted authority to Audit Committee to grant omnibus approval for normal business transaction. No specific approval of Board was required since these transactions were in the ordinary course of business and on arm's length basis.

(f) Amount paid as advances, if any:

Nil

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**

*Chairman*

(DIN: 06508909)

**GIRISH PUNDLIK**

*Managing Director*

(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020





## ANNEXURE: C

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

Corporate Social Responsibility is strongly connected with the principles of sustainability; Company does not take decisions based on financial factors only but also consider social and environmental consequences. Company recognizes the impact it has on communities in which it operates and believes that it also has responsibility towards social, economic and environmental progress of India.

As a responsible corporate citizen, the Company is committed to sustainable development and inclusive growth. Accordingly the Company has framed a CSR policy focused on social and environmental issues aiming (1) to providing financial support to the program for the benefit of the local communities in enhancing quality of their life & economic well being (2) to serve the socially and economically weak, disadvantaged, underprivileged and destitute sections of the Society regardless of race, color, sex, age, creed, national origin or religion with sole intention to make the group or individual self dependent and live life more meaningfully and (3) to extend humanitarian services to further enhance the quality of life.

The main objective of this policy is to define BLVL's Corporate Social Responsibility approach in alignment with section 135 of the Companies Act, 2013 read with applicable rules. BLVL's CSR Policy is available on the Company's Website: [www.blvlindia.com/policies/ CSR-Policy.pdf](http://www.blvlindia.com/policies/CSR-Policy.pdf)

The CSR Committee has identified following activities to be undertaken under CSR initiatives in the sectors of:

- (i) Promoting gender equality, empowering women by providing financial assistance and creating income generation alternatives/activities for women living in urban slums or remote villages, setting up homes and hostels for women and orphans; setting up old age homes, day care centre and such other facilities for senior citizens;
- (ii) Promoting primary and special education and employment enhancing vocational skills especially among under privileged/ differently able children and livelihood enhancement projects;
- (iii) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (iv) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development.

2. Composition of the CSR Committee: Refer Report
3. Average net profit of the Company for last three Financial years: Rs. 3224.00 Lakh
4. Prescribed CSR Expenditure: Rs. 64.0 Lakh
5. Details of CSR spend for the financial year:
  - (a) Total CSR expense Amount Committed : Rs. 65.50 Lakh
  - (b) Cumulative CSR expense Incurred : Rs. 65.50 Lakh
  - (c) CSR amount Committed but to be spent [(a)-(b)] : Nil
  - (d) Amount unspent, if any : Nil
  - (e) Manner in which the amount spent during the financial year is detailed below:

- Rs.50.0 Lakh contributed to Prime Minister National Relief Fund
- Rs.3.00 Lakh contributed to Girija Welfare Association, a Navi Mumbai based NGO which run a shelter home for orphans, homeless, less privileged children and old age home. NGO provide shelter, care, food, cloth, books and educational support to rescued children to make them self-reliant and prevent them taking to anti-social activities and lead a respectable life. Amount contributed is proposed to be utilized for payment of annual tuition fees for such children going to outside schools.
- Rs.2.50 Lakh contributed to Asiatic Charitable Trust, a registered public trust running an English medium school for providing quality education to less privileged rural children from 90 neighboring villages at Parli near Khopoli, Maharashtra, organizing free diagnostic, curative and preventive health check-up camps like EYE, ENT, Cancer screening, Dental, Gynecology, Pediatric, Vaccination, Cardiology etc. Trust also work on economic empowerment of under-privileged and needy women in earning livelihood by providing training and employment opportunities. Amount contributed is proposed to be spent on providing free healthcare facilities and free medicines.

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- Rs.10.00 Lakh contributed to Shoshit Mukti Abhiyan Sanstha, is a institution engaged in providing education support , hostel facility to katkari and adivasi childrens in sindudurgh district of Maharashtra. The institution is new and located in remote part of Maharashtra.

The utilization of funds for the right purpose and intended use is being monitored by personal visits to site/centre by Company officials to and is reviewed by CSR committee.

6. Reason for not spending the amount at 5(d): Not Applicable

We hereby declare that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**

*Chairman*

(DIN: 06508909)

**GIRISH PUNDLIK**

*Managing Director*

(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020



ANNEXURE: D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

*[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-Van Leer Limited.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Balmer Lawrie- Van Leer Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; – **Not applicable.**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; – **Not applicable.**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; – **Not applicable.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; – **Not applicable.**
  - (e) The Securities and Exchange Board of India (Issue and Listing Debt Securities) Regulations, 2008; – **Not applicable.**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; – **Not applicable.**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016; – **Not applicable.**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; – **Not applicable.**
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015; – **Not applicable.**
- (vi) Other Laws applicable to the Company;
  - 1. Factories Act, 1948 and the Maharashtra Factories Rules, 1963
  - 2. The Employees Provident Fund Act, 1952
  - 3. The Employees State Insurance Act, 1948

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4. The Contract Labour (Regulation & Abolition) Act, 1970 & Rules 1971
5. The Payment of Bonus Act, 1965
6. Employment Exchange Act, 1959
7. The Apprentice Act, 1961
8. Minimum Wages Act, 1948
9. Payment of Wages Act, 1936
10. The Industrial Employment (Standing) Order Act, 1946
11. Payment of Gratuity Act, 1972
12. Maternity Benefit Act, 1961
13. Maharashtra Labour Welfare Fund Act, 1953
14. The Air (Prevention & Control of Pollution) Act, 1981 & The Water (Prevention & Control of Pollution) Act, 1975 and Rules there under.
15. Hazardous Waste (Management & Handling) Rules, 2000
16. Weights & Measurement Act

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

The company has complied with The IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 for Financial Year 2019-20.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions have been taken unanimously and no dissent recorded.**

**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 period under review one complaint was received under Whistle Blower Mechanism; the same has been investigated and placed before the Board for discussion. The Company and the Board have taken appropriate action as prescribed under the Companies Act. The Management has not quantified the amount involved and therefore, the materiality of the amount involved cannot be ascertained.

For **N L Bhatia & Associates**  
*Practicing Company Secretaries*  
**UIN: P1996MH055800**  
**UDIN: F005436B000307749**

**Bharat Ramakant Upadhyay**  
*Digitally signed by Bharat Ramakant Upadhyay*  
Date: 2020.06.01  
19:26:56 +05'30'

**Bharat Upadhyay**  
*Partner*  
FCS No. 5436 / COP No. 4457

Place: Mumbai  
Date: 12th June, 2020



## ANNEXURE: E

## FORM NO. MGT – 9

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

## I. REGISTRATION AND OTHER DETAILS

CIN No.	U99999MH1962PLC012424
Registration Date	12th February, 1960
Name of the Company	Balmer Lawrie Van Leer Limited
ISIN No.	INE920D01015
Category/Sub-Category of the Company	Company limited by Shares
Address of the Registered Office & Contact details	D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai- 400 705 Tel: + 91 22 6739 6400 Fax: + 91 22 6739 6436 E mail: investors@blvindia.com
Whether Listed or not	De-listed with effect from 4th March, 2008
Registrar and Share Transfer Agents	SHAREX DYNAMIC (INDIA) PVT. LTD. C-101, 247 Park, L B S Marg Vikhroli (West), Mumbai-400 083 Telephone No: 2851 5606 / 2851 5644 / 2851 6338 Fax No : 2851 2885 E mail: support@sharexindia.com

## II. BUSINESS ACTIVITIES CONTRIBUTING 10% OR MORE OF THE TOTAL TURNOVER OF THE COMPANY

Sl. No.	Name & Description of main Products	NIC Code of the Product	Annual Turnover in Rs. in Lakhs	% of total turnover of the Company
1	Manufacturing of Plastic articles for packing of goods (Plastic Containers/Liners)	22,203	25,393	57
2	Manufacturing of other basic Iron & Steel (Flanges & Plugs-Steel Drum Closures)	24,109	17,041	40
3	Manufacturing of Rubber Gaskets	22,199	1,119	3
	<b>Total</b>		<b>49,884</b>	<b>100</b>

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Shares held in / by the Company	Applicable Section of the Companies Act, 2013
1	Balmer Lawrie & Co. Limited, Balmer Lawrie House, 21, N.S. Road, Kolkata - 700 001	L15492WB1924GOI004835	Joint Venture Promoter Company	47.91	2(69)
2	Greif International Holding B.V. Bergseweg 6, 3633 AK Vreeland, The Netherlands	33065401	Joint Venture Promoter Company	47.91	2(69)
3	Transafe Services Limited, Balmer Lawrie House, Rear Building, 6th Floor, 21, N. S. Road, Kolkata - 700 001*	U28992WB1990PLC050028	Associate (Joint Venture)	50.00	2(6)

\* by an NCLT order dated 11th November,2019 ,management is taken over by Resolution Professional

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## IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % of Total Equity)

### I) Category wise Share Holding

Category	No of Shares held at the beginning of the Year (As on 1st April, 2019)				No. of Shares held at the end of the Year (As on 31st March, 2020)				% change during the Year
	Electronic	Paper	Total	% of Total	Electronic	Paper	Total	% of Total	
<b>A. Promoters</b>									
Indian	7,501,277	1,100,000	8,601,277	47.913	7,501,277	1,100,000	8,601,277	47.913	—
Foreign	1,067,465	7,533,817	8,601,282	47.913	1,067,465	7,533,817	8,601,282	47.913	—
<b>Total - A</b>	<b>8,568,742</b>	<b>8,633,817</b>	<b>17,202,559</b>	<b>95.826</b>	<b>8,568,742</b>	<b>8,633,817</b>	<b>17,202,559</b>	<b>95.826</b>	<b>—</b>
<b>B. Public Shareholding</b>									
<b>a) Institutions</b>									
Mutual Funds	64	—	64	0.000	64	—	64	0.000	—
Banks/ FI	1,259	—	1,259	0.007	1,259	—	1,259	0.007	—
Central Govt.	111,752	—	111,752	0.622	137,199	—	137,199	0.764	0.141
State Govt.	—	—	—	—	—	—	—	—	—
Venture Capital Funds	—	—	—	—	—	—	—	—	—
Insurance Cos.	—	1,250	1,250	0.007	—	50	50	0.000	0.007
FII's	—	—	—	—	—	—	—	—	—
Foreign Venture Capital	—	—	—	—	—	—	—	—	—
Others	—	—	92	0.000	—	—	—	—	—
<b>Sub Total B (1)</b>	<b>113,075</b>	<b>1,250</b>	<b>114,325</b>	<b>0.636</b>	<b>138,522</b>	<b>50</b>	<b>138,572</b>	<b>0.771</b>	<b>0.134</b>
<b>b) Non-Institutions</b>									
<b>Bodies Corporate</b>									
Indian	12,134	3,550	15,684	0.087	8,790	2,500	11,290	0.063	-0.024
Overseas	—	—	—	—	—	—	—	—	—
<b>Individuals</b>									
Indian	363,387	247,802	611,189	3.405	366,191	224,903	590,794	3.291	0.114
NRI's	7,181	975	8,156	0.045	7,431	975	8,406	.047	—
Others	101	—	101	0.001	393	—	393	0.001	-0.001
<b>Total - B (2)</b>	<b>382,803</b>	<b>252,327</b>	<b>635,130</b>	<b>3.538</b>	<b>382,869</b>	<b>228,078</b>	<b>610,947</b>	<b>3.403</b>	<b>0.135</b>
<b>Total Public Shareholding</b>	<b>495,878</b>	<b>253,577</b>	<b>749,455</b>	<b>4.174</b>	<b>521,327</b>	<b>228,128</b>	<b>749,455</b>	<b>4.174</b>	<b>0.001</b>
<b>C. Share held by Custodian for GDR/ ADR</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total - A+B+C</b>	<b>9,064,620</b>	<b>8,887,394</b>	<b>17,952,014</b>	<b>100.00</b>	<b>9,090,069</b>	<b>8,861,945</b>	<b>17,952,014</b>	<b>100.00</b>	<b>Nil</b>

### II) Share holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2019)			Shareholding at the end of the year (As on 31st March, 2020)			% change during the Year
		No. of Shares	% of Total Shareholding	% of shares pledged / encumbered to total shares	No. of Shares	% of Total Shareholding	% of shares pledged / encumbered to total shares	
1	Balmer Lawrie & Co. Limited	8,601,277	47.913	Nil	8,601,277	47.913	Nil	Nil
2	Greif International Holding B.V.	8,601,282	47.913	Nil	8,601,282	47.913	Nil	Nil
<b>Total</b>		<b>17,202,559</b>	<b>95.826</b>	<b>Nil</b>	<b>17,202,559</b>	<b>95.826</b>	<b>Nil</b>	<b>Nil</b>

### III) Change in Promoter's Shareholding:

There was no change in Promoter's shareholding during the year.



**IV) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDR/ADR's)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2019)		Increase (+)/ Decrease (-)	Cumulative Shareholding during the year 2019-20		Shareholding at the end of the year (As on 31st March, 2020)	
		No. of Shares	% of Total Shares of the Company		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	IEPF Authority	111,752	0.622	25,447	137,299	0.764	137,299	0.764
2	Surendra Chhajaj	8,900	0.050	—	8,900	0.050	8,900	0.050
3	Pheroze K Mistry	7,150	0.040	—	7,150	0.040	7,150	0.040
4	Naveen Bothra	5,000	0.028	—	5,000	0.028	5,000	0.028
5	Rajesh J Kandhar	5,000	0.028	—	5,000	0.028	5,000	0.028
6	Jayesh B Salot	4,801	0.027	—	4,801	0.027	4,801	0.027
7	Kanta Chhajaj	4,722	0.026	—	4,722	0.026	4,722	0.026
8	Darshan P Vohra	4,600	0.026	-4,600	0.000	0.0000	0.000	0.000
9	Platus Capital Management LLP	4,364	0.024	-4,000	364	0.024	364	0.002
10	Kapil Srinath Gupta	3,860	0.023	—	3,860	0.023	3,860	0.0 23
11	Inder Kumar Bagri	3,000	0.023	726	3,72	0.021	3,000	0.021

**V) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Name of Director / KMP	Shareholding at the beginning of the year (As on 1st April, 2019)		Increase (+)/ Decrease (-) during the year	Cumulative Shareholding during the year 2019-20		Shareholding at the end of the year (As on 31st March, 2020)	
		No. of Shares	% of Total Shares of the Company		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Mr. Hari Krishna Kumar	—	—	—	—	—	—	—
2	Mr. Prabal Basu	—	—	—	—	—	—	—
3	Mrs. Cristina Zeitz (up to 17.01.2020)	—	—	—	—	—	—	—
4	Mr. Balaji V Satyanarayanan (w.e.f 17.01.2020)	—	—	—	—	—	—	—
5	Mr. D. Sothi Selvam (up to	—	—	—	—	—	—	—
6	Mr. Shyam S Khuyntia (w.e.f 17.01.2020)	—	—	—	—	—	—	—
7	Mr. Jaime Moreno Marin (w.e.f. 07.09.2018)	—	—	—	—	—	—	—
8	Mr. Srikumar Menon (up to 23.09.2020)	500	0.00	500	0.00	500	0.00	0.00
9	Mr. V.N. Sharma ( w.e.f 01.11.2019)	—	—	—	—	—	—	—
10	Mr. Jozef Casparie	—	—	—	—	—	—	—
11	Mr. Girish Pundlik (w.e.f. 01.04.2018)	—	—	—	—	—	—	—
12	Mr. Rajesh Juthani (up to 30.06.2020)	25	0.00	—	25	0.00	25	0.00
13	Mr. Sanjay Datta	75	0.00	—	75	0.00	75	0.00

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### V. INDEBTEDNESS:

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

(Rs. in lakhs)

	Secured Loan (Excl. Deposit)	Unsecured Loans	Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,715	1,405	—	13,120
ii) Interest due but not paid	—	58	—	58
iii) Interest accrued but not due	33	—	—	33
<b>Total</b>	<b>8,776</b>	<b>1,483</b>	<b>—</b>	<b>10,259</b>
Changes in Indebtedness during the financial year				
— Additions	30,230	10,853	—	41,083
— Reductions	(26,218)	(8864)	—	(35,082)
<b>Net Change</b>	<b>4,012</b>	<b>(1,989)</b>	<b>—</b>	<b>6,001</b>
Indebtedness at the end of the financial year				
i) Principal Amount	15,724	3,452	—	19,176
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	36	—	—	36
<b>Total</b>	<b>11,760</b>	<b>1,463</b>	<b>—</b>	<b>19,212</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration Paid to Managing Director and other Directors

(Rs. in lakhs)

Sl. No.	Name of Director	Category	Remuneration	Sitting Fees	Commission	Total Amount
1	Hari Krishna Kumar	NENC	—	—	—	—
2	Girish Pundlik (w.e.f. 01.04.2018)	MD	43	—	—	43
3	Cristina Zeitz (up to 17.01.2020)	NEND	—	—	—	—
4	Prabal Basu	NEND	—	—	—	—
5	D Sothi Selvam (up to 17.01.2020)	NEND	—	—	—	—
6	Jaime Moreno Marin	NEND	—	—	—	—
7	Srikumar Menon (Up to 30.09.2019)	Ind. Director	—	1	—	1
8	Jozef M Casparie	Ind. Director	—	1	—	1
9	Vasudev Narayan Sharma (01.11.2019)	Ind. Director	—	—	—	—
10	Balaji Venkatesh Sathyanarayanan (w.e.f 17.01.2020)	NEND	—	—	—	—
11	Shyam Sunder Khuntia (w.e.f 17.01.2020 up to 30.04.2020)	NEND	—	—	—	—
12	Sandip Das (w.e.f 01.05.2020)	NEND	—	—	—	—
<b>Total Managerial Remuneration</b>			<b>43</b>	<b>2</b>	<b>—</b>	<b>46</b>
<b>Overall Ceiling as per Act</b>			<b>125</b>	<b>N/A</b>	<b>—</b>	<b>125</b>

Remuneration to Directors is in accordance with the provisions of and within limits laid down under Section 197 read with Schedule V to the Act.





**B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Rajesh Juthani (Co. Sec)	Sanjay Datta (CFO)	Total
1	Gross Salary			
	(a) Salary as per provisions of Sec. 17(1) of I.T. Act	33	31	64
	(b) Value of Perquisites u/s 17(2) of I.T. Act	1	—	1
	(c) Profits in lieu of Salary u/s 17(3) of I.T. Act	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission as % of Profit	—	—	—
	<b>Total-A</b>	<b>34</b>	<b>31</b>	<b>65</b>

**VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES:**

Neither Company nor any of its Directors or key official have committed or reported to have committed any offence under any provisions of the Companies Act which has resulted in levy of penalty, punishment or required payment of compounding fees to Registrar of Companies, Regional Director, National Company Law Tribunal or Courts in India.

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**  
Chairman  
(DIN: 06508909)

**GIRISH PUNDLIK**  
Managing Director  
(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020

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## ANNEXURE: F

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information (Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014) for the year ended 31st March, 2020.

**Power and Fuel Consumption** for the year ended 31st March, 2020

	<u>2019-2020</u>	<u>2018-2019</u>
<b>Electricity – Purchased From Electricity Boards</b>		
Units Purchased (in nos.)	<b>28,176,565</b>	30,153,088
Total Amount spent (Rs. in lakhs)	<b>2,474</b>	2,447
Rate per Unit (in Rs.)	<b>8.69</b>	8.12
<b>Electricity – Purchased from Open Access</b>		
Units Purchased (in nos.)	—	—
Total Amount spent (Rs. in lakhs)	—	—
Rate per Unit (in Rs.)	—	—
<b>Electricity – Captive Generation</b>		
HSD Consumed (in Liter)	<b>70,843</b>	70,872
Total cost of HSD (Rs. in lakhs)	<b>49</b>	48
Cost per Liter (in Rs.)	<b>66.72</b>	67.31
Total units Generated (in Units)	<b>239,953</b>	221,446
Units generated per Liter (in Nos.)	<b>3.31</b>	3.12
Generation Cost (Rs. per Unit)	<b>20.59</b>	21.54

During the year the Company has saved 13692 units to by solar power generation & effective methods.

### ENERGY CONSERVATION MEASURES TAKEN ARE AS UNDER:

1. Replaced old ageing Plant & Machinery, use of SEW Energy Motors, power efficient equipments and Utilities with latest technology which is high energy efficient at all units.
2. Replacement of Automatic Power Factor Capacitor Panels, Changed factory and street lights with LED lighting.
3. Replaced compressed air line from MS to Aluminum.
4. Replaced in Unit II , old induction motors with high speed servo motors.

### TECHNOLOGY UP-GRADATION AND ABSORPTION

The Company has been constantly upgrading technology with technical input and assistance from Greif and its associate companies.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

	<u>2019-2020</u>	<u>2018-2019</u>
	<b>Rs. in Lakh</b>	Rs. in Lakh
Exports (in FC)	<b>12,127</b>	11,839
Imports /Expenditure (in FC)	<b>14,112</b>	17,688

For and on behalf of the Board of Directors

**HARI KRISHNA KUMAR**  
*Chairman*  
(DIN: 06508909)

**GIRISH PUNDLIK**  
*Managing Director*  
(DIN: 8099591)

Place : Mumbai

Dated : 12th June, 2020



## Independent Auditor's Report

To the Members of Balmer Lawrie-Van Leer Limited

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### QUALIFIED OPINION

1. We have audited the accompanying financial statements of **Balmer Lawrie – Van Leer Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### BASIS FOR QUALIFIED OPINION

3. (a) As stated in Note 43 to the financial statements, the Company has not accrued interest aggregating Rs. 164 lakhs (Previous year Rs. 164 lakhs) on a loan in accordance with terms of such loan agreement. Had the Company provided for interest in accordance with the terms of the aforesaid agreement, net profit for the year ended 31st March 2020 would have been lower by Rs. 106 lakhs (Previous year: Rs.106 lakhs), other financial liabilities as at 31st March 2020 would have been higher by Rs. 1,604 lakhs (Previous year: Rs. 1,440 lakhs) and the reserves and surplus as at that date would have been lower by Rs. 1,579 lakhs (Previous year: Rs. 1,415 lakhs). Our audit opinion on the financial statements for the year ended 31st March 2019 was also qualified in respect of this matter.
- (b) As stated in Note 43 to the financial statements, non-current investments, as at 31st March 2020, held by the Company, include an investment amounting to Rs. 1,818 lakhs in its erstwhile joint venture company, Transafe Services Limited, whose financial statements indicate significant accumulated losses and net worth being fully eroded, however, no provision has been recognised in the books for 'other than temporary' diminution in value of investments. In the absence of sufficient appropriate audit evidence, we are unable to comment upon the carrying value of this investment and the consequential impact, if any, on the financial statements. Our audit opinion on the financial statements for the year ended 31st March 2019 was also qualified in respect of this matter.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our

responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

If based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified 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 of 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

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preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, 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 with reference to the financial statements
  - (b) except for the effects of the matter described in paragraph 3(a) and possible effects of the matter described in paragraph 3(b) in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the financial statements dealt with by this report are in agreement with the books of account;
  - (d) except for the effects of the matter described in paragraph 3(a) and possible effects of the matter described in paragraph 3(b), in our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act;
  - (e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of section 164(2) of the Act;



- (f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
- (g) we have also audited the internal financial controls with reference to the financial statements of the Company for the year ended on that date and our report dated 12th June 2020 as per Annexure II expressed an unmodified opinion;
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 40 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2020;
  - ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2020.
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November 2016 to 30th December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**  
*Chartered Accountants*  
Firm's Registration No.:  
001076N/N500013

**Bharat Shetty**  
*Partner*  
Membership No.: 106815  
UDIN No.: 20106815AAAABM1701

Place: Mumbai  
Date: 12th June, 2020

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## Annexure I to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the financial statements for the year ended 31st March 2020

### Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which 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 the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties which are included under the head 'Property, plant and equipment' are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service taxes, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year -end for a period of more than six months from the date they become payable.



Annexure I – (contd.)

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of Disputed Dues**

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	37	20	Financial year 2008-09	Joint Commissioner of Sales Tax (Appeals)
		8	4	Financial year 2006-07	Joint Commissioner of Sales Tax (Appeals)
The Customs Act, 1962	Custom duty	16	—	F.Y. 2014-16	Additional commissioner of Customs
Finance Act, 1994	Service tax	12	—	F.Y. 2007-12	Commissioner of Central Excise (Appeals)
		27	—	F.Y. 2015-16	Commissioner of Central Excise (Appeals)
Income-tax Act, 1961	Income tax	4	—	Assessment year 2011-12	Commissioner of Income Tax (Appeals)
		109	22	Assessment year 2011-12	Commissioner of Income Tax (Appeals)
		20	33	Assessment year 2012-13	Commissioner of Income Tax (Appeals)
		46	11	Assessment year 2013-14	Commissioner of Income Tax (Appeals)
		5	1	Assessment year 2014-15	Commissioner of Income Tax (Appeals)
		29	29	Assessment year 2015-16	Centralized Processing Centre
		9	1	Assessment year 2016-17	Commissioner of Income Tax (Appeals)
		25	4	Assessment year 2016-17	Commissioner of Income Tax (Appeals)

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### Annexure A – (contd.)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments) during the year.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiook & Co LLP**  
*Chartered Accountants*  
Firm's Registration No.: 001076N/N500013

**Bharat Shetty**  
*Partner*  
Membership No.: 106815  
UDIN No.: 20106815AAAABM1701

Place: Mumbai  
Date: 12th June, 2020





**Annexure II to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the financial statements for the year ended 31st March 2020**

**Annexure II****INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")**

1. In conjunction with our audit of the financial statements of Balmer Lawrie – Van Leer Limited (the "Company") as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**AUDITORS' RESPONSIBILITY**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

6. A company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815  
UDIN No.: 20106815AAAABM1701

Place: Mumbai  
Date: 12th June, 2020

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## BALANCE SHEET AS AT MARCH 31, 2020

	Note	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	12,245	11,867
Capital work-in-progress		5,102	1,888
Goodwill		1,016	1,016
Other intangible assets	3	62	76
<b>Financial assets</b>			
Investment	4	1,818	1,818
Loans	5	400	272
Other financial assets	6	35	8
Other non-current assets	7	837	915
		<u>21,515</u>	<u>17,860</u>
<b>Current assets</b>			
Inventories	8	7,476	6,236
<b>Financial assets</b>			
Trade receivables	9	8,014	8,144
Cash and bank balances	10	1,706	425
Loans	11	185	149
Other financial assets	12	595	350
Other current assets	13	1,943	2,153
		<u>19,919</u>	<u>17,457</u>
		<u>41,434</u>	<u>35,317</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	1,796	1,796
Other equity	15	13,538	13,051
		<u>15,334</u>	<u>14,847</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	5,008	2,319
Other financial liabilities	17	35	18
Provisions	18	23	131
Deferred tax liabilities (net)	19	691	703
		<u>5,757</u>	<u>3,171</u>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	11,481	8,346
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	291	623
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	3,367	3,187
Other financial liabilities	22	4,093	4,259
Provisions	23	522	284
Current tax liabilities (net)	24	207	151
Other current liabilities	25	382	449
TOTAL		<u>20,343</u>	<u>17,299</u>
		<u>41,434</u>	<u>35,317</u>

Significant accounting policies and other explanatory information

1 to 52

As per our report of even date attached.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**Girish Pundlik**

– Managing Director  
DIN: 08099591

**Prabal Basu**

– Director  
DIN: 06414341

**Sanjay Datta**

– Chief Financial Officer

**Rajesh Juthani**

– Company Secretary  
Membership No.: 07070

Mumbai, 12th June, 2020

Mumbai, 12th June, 2020



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

	Note	Year Ended March 31, 2020 (Rs. in lakhs)	Year Ended March 31, 2019 (Rs. in lakhs)
I. Revenue from Operations	26	43,553	49,884
II. Other Income	27	801	143
III. <b>Total Revenue (I + II)</b>		<b>44,354</b>	<b>50,027</b>
IV. <b>Expenses:</b>			
Cost of materials consumed	28	24,772	31,809
Purchases of stock-in-trade		176	171
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	116	(535)
Employee benefits expense	30	5,116	4,544
Finance costs	31	980	940
Depreciation and amortization expense	2 and 3	1,372	1,244
Other expenses	32	7,981	8,115
<b>Total Expenses</b>		<b>40,513</b>	<b>46,288</b>
V. <b>Profit Before Tax (III-IV)</b>		<b>3,841</b>	<b>3,739</b>
VI. <b>Tax Expense</b>	33		
(i) Current tax		1,294	1,240
(ii) Deferred tax expense		31	57
		<b>1,325</b>	<b>1,297</b>
VII. <b>Net profit after tax (V-VI)</b>		<b>2,516</b>	<b>2,442</b>
VIII. <b>Other comprehensive income (OCI)</b>	34		
Items that will not be reclassified to profit or loss			
(i) Measurements of defined employee benefit plans		(104)	137
(ii) Income tax relating to items that will not be reclassified to profit or loss		36	(48)
Items that will be reclassified to profit or loss			
(i) Deferred loss on cash flow hedges		(20)	(279)
(ii) Income tax relating to items that will be reclassified to profit or loss		7	97
		<b>(81)</b>	<b>(93)</b>
IX. <b>Total comprehensive income for the period (VII+VIII)</b>		<b>2,435</b>	<b>2,349</b>
X. Earnings per equity share:	44		
Basic and diluted (in Rs.)		14.00	13.58
Face value per share (in Rs.)		10.00	10.00

Significant accounting policies and other explanatory information

1 to 52

As per our report of even date attached.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**Girish Pundlik**

– Managing Director

DIN: 08099591

**Prabal Basu**

– Director

DIN: 06414341

**Sanjay Datta**

– Chief Financial Officer

**Rajesh Juthani**

– Company Secretary

Membership No.: 07070

Mumbai, 12th June, 2020

Mumbai, 12th June, 2020

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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

Equity share capital (including forfeited equity shares)

	Number of shares	Amount (Rs. in lakhs)
As at April 01, 2018	17,974,814	1,796
Changes during the year	—	—
<b>As at March 31, 2019</b>	<b>17,974,814</b>	<b>1,796</b>
Changes during the year	—	—
<b>As at March 31, 2020</b>	<b>17,974,814</b>	<b>1,796</b>

### Other equity

(Rs. in lakhs)

	Securities premium	General reserve	Retained earnings	Deemed equity contribution on loan from shareholder	Other comprehensive income (OCI)		Total
					Cash flow hedge reserve account	Other items	
<b>Opening balance as at April 01, 2018</b>	3,218	796	8,234	185	—	—	12,433
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Profit for the year	—	—	2,442	—	—	—	2,442
Other comprehensive (loss)/ gain	—	—	—	—	(182)	89	(93)
Dividend	—	—	(1,436)	—	—	—	(1,436)
Tax on dividends	—	—	(295)	—	—	—	(295)
Transfer from OCI to retained earnings	—	—	89	—	—	(89)	—
<b>Closing balance as at March 31, 2019</b>	<b>3,218</b>	<b>796</b>	<b>9,034</b>	<b>185</b>	<b>(182)</b>	<b>—</b>	<b>13,051</b>
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Profit for the year	—	—	2,516	—	—	—	2,516
Other comprehensive (loss)/ gain	—	—	—	—	(13)	(68)	(81)
Dividend	—	—	(1,616)	—	—	—	(1,616)
Tax on dividends	—	—	(332)	—	—	—	(332)
Transfer from OCI to retained earnings	—	—	(68)	—	—	68	—
<b>Closing balance as at March 31, 2020</b>	<b>3,218</b>	<b>796</b>	<b>9,534</b>	<b>185</b>	<b>(195)</b>	<b>—</b>	<b>13,538</b>

As per our report of even date attached.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Mumbai, 12th June, 2020

For and on behalf of the Board of Directors

**Girish Pundlik**

— *Managing Director*

DIN: 08099591

**Prabal Basu**

— *Director*

DIN: 06414341

**Sanjay Datta**

— *Chief Financial Officer*

**Rajesh Juthani**

— *Company Secretary*

Membership No.: 07070

Mumbai, 12th June, 2020



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

	Year Ended March 31, 2020 (Rs. in lakhs)	Year Ended March 31, 2019 (Rs. in lakhs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit and Loss	3,841	3,739
Adjusted for:		
Depreciation and amortization expense	1,372	1,244
(Profit)/Loss on sale of tangible assets (net)	—	(27)
Interest income	(16)	(33)
Finance costs	980	940
Bad debts/ advances written off	10	—
Provision for doubtful debts	1	27
Provision for indirect taxes	—	(11)
Liabilities no longer required written back	(382)	(80)
Actuarial gain/ (loss) recognised in other comprehensive income	(104)	137
Deferred grant income	(2)	(2)
Unrealised foreign exchange loss/(gain)	(141)	51
	<u>1,718</u>	<u>2,246</u>
<b>Operating profit before working capital changes</b>	<b>5,559</b>	<b>5,985</b>
Changes in working capital:		
(Decrease) in provisions, trade payables and other liabilities	(171)	(1,520)
Decrease in trade receivables	332	575
(Increase) in inventories	(1,240)	(367)
(Increase) / Decrease in loans and other assets	259	(798)
	<u>4,739</u>	<u>3,875</u>
<b>Operating profit after working capital changes</b>	<b>4,739</b>	<b>3,875</b>
Direct taxes paid (net of refund)	(1,238)	(1,292)
	<u>3,501</u>	<u>2,583</u>
<b>Net cash generated from operating activities</b>	<b>3,501</b>	<b>2,583</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work-in-progress)	(5,275)	(2,898)
Sale of property, plant and equipment	—	31
Fixed deposits matured	29	95
Interest received	16	33
	<u>16</u>	<u>33</u>
<b>Net cash used in investing activities</b>	<b>(5,230)</b>	<b>(2,739)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (including dividend distribution tax thereon)	(1,948)	(1,731)
Repayment of non-current borrowings	(1,443)	(658)
Proceeds from non-current borrowings	4,365	2,914
Settlement of lease obligations	(22)	—
Finance costs paid	(1,030)	(880)
Proceeds from current borrowings (net)	3,136	636
	<u>3,058</u>	<u>281</u>
<b>Net cash generated from financing activities</b>	<b>3,058</b>	<b>281</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1,329</b>	<b>125</b>
Opening balance of cash and cash equivalents	267	142
	<u>1,596</u>	<u>267</u>
<b>Closing balance of cash and cash equivalents</b>	<b>1,596</b>	<b>267</b>
<b>Components of cash and cash equivalents:</b>		
Balances with banks in current accounts	645	249
Balances with banks in deposits accounts	949	16
Cash on hand	2	2
	<u>1,596</u>	<u>267</u>
<b>Cash and cash equivalents as per financial statements</b>	<b>1,596</b>	<b>267</b>

As per our report of even date attached.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

Mumbai, 12th June, 2020

For and on behalf of the Board of Directors

**Girish Pundlik**

– Managing Director  
DIN: 08099591

**Prabal Basu**

– Director  
DIN: 06414341

**Sanjay Datta**

– Chief Financial Officer

**Rajesh Juthani**

– Company Secretary  
Membership No.: 07070

Mumbai, 12th June, 2020

# 60th Annual Report 2019 - 2020

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### 1.1 Background of the Company

Balmer Lawrie – Van Leer Limited (the “Company”) is a Company limited by shares and is domiciled in India. The Company’s registered office is at D195/2, TTC Industrial Area, Turbhe, Navi Mumbai - 400705.

Balmer Lawrie-Van Leer Limited (BLVL), established in 1962, is into the manufacture of a wide range of industrial packaging products; however, its core competencies are in steel drum closures and plastic drums.

### 1.2 Significant Accounting Policies

#### (a) Basis for preparation of financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

These financial statements have been prepared on a historical cost and accrual basis, except for certain financial assets and liabilities and defined benefit plans - plan assets, that are measured at fair value.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### (b) Investments in joint venture

Investments in joint venture are accounted at cost in accordance with Ind AS 27 – Consolidated and Separate Financial Statements.

#### (c) Property, plant and equipment (including Capital Work-in-Progress)

Property, plant and equipment are stated at cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition, net of cenvat credit/GST, accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

The Company provides pro-rata depreciation on additions and disposals made during the year. Depreciation on fixed assets is provided under the straight line method over the useful lives of assets as determined by an independent valuer, as prescribed under Part C of Schedule II of the Act. In the case of property, plant and equipment where the technological progress and upgradation is faster, the Company has provided accelerated depreciation as specified in Schedule II of the Act.

Leasehold land is being amortised over the primary period of lease.

Assets not yet ready for use are recognised as Capital work-in-progress.

#### (d) Intangible assets

Intangible assets are stated at acquisition cost, net of cenvat/GST credit, accumulated amortisation and accumulated impairment losses, if any. Intangible assets i.e. Computer software are amortised on a straight line basis over their estimated useful life of three years. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

#### (e) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

### (f) Impairment of non-financial assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### (g) Investments and financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

### Measurement of equity instruments

All equity investments in the scope of Ind AS 109, Financial Instruments, are measured at fair value. For equity instruments, the Company may make an irrevocable election to present the subsequent fair value changes in Other Comprehensive Income (OCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

Equity instruments included within the FVTPL (fair value through profit and loss) category are measured at fair value with all changes in fair value recognized in the profit or loss.

### Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

## (h) Derivative financial instruments and hedge accounting

### Initial and subsequent measurement

The Company uses derivative financial instruments to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit & loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges where Company hedges its exposure to variability in cash flows that is attributable to foreign currency risk and interest rate risk associated with recognised liabilities in the financial statements.





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they continue to be highly effective throughout the financial reporting periods for which they are designated.

### **Accounting for cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses swaps to hedge its exposure to foreign currency risk and interest rate risk in respect of certain financial liabilities. The ineffective portion relating to such hedging instruments is recognised in other income or expenses. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised. If the hedging instrument expires or is sold, terminated or exercised, or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the expected future cash flows occur.

### **(i) Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

### **(j) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost of raw materials, stores, spares and packing materials is determined at weighted average cost. The cost of finished goods and work in progress comprises raw materials cost, packing materials cost, direct labour, other direct costs and related production overheads, as applicable. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### **(k) Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

### **(l) Revenue Recognition**

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

### **Other operating revenue-export incentives**

Export incentives under various schemes are accounted when the right to receive the benefit is established.

### **(m) Other Income**

Interest income for all debt instruments is recognised using the effective interest rate method. Dividend Income is recognised when right to receive the payment is established. Management and marketing fees are recognised on the basis of rendering of services.

### **(n) Employee Benefits**

#### **Defined Contribution Plans**

The Company has Defined Contribution Plans for post employment benefits namely Provident Fund, Superannuation Fund and Employee's State Insurance Plan (ESIC) which are recognised by the income tax authorities and administered through appropriate authorities. The Company contributes to a Government administered Provident Fund and Employee State Insurance Plan and has no further obligation beyond making its contribution.

The Company makes contribution for superannuation to Life Insurance Corporation of India ("LIC") and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are charged to Statement of Profit and Loss every year as and when due.

#### **Defined Benefit Plan – Gratuity**

The Company has Defined Benefit Plan comprising of Gratuity. The Gratuity scheme is funded through Group Gratuity Cum Life Assurance Scheme from LIC. The adequacy of accumulated fund balance available with LIC has been established by comparing such balance based on actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in other comprehensive income as income or expense.

#### **Compensated Absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. All other absences are treated as long term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### **Termination Benefits**

Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

### **(o) Current and Deferred Tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Where there are unabsorbed business losses and/or unabsorbed depreciation, deferred tax assets are recognised and carried forward only to the extent management is virtually certain that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### (p) Leases

#### Company as a lessee

The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a lease term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the fixed lease payments including variable lease payments that depend on an index or a rate. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate of the Company. Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### Company as a lessor

Leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income from operating leases where the Company is a lessor is recognized in other income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### Finance lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership of the asset transfer from the Company to the lessee or from the lessor to the Company as the case may be.

#### Company as a lessee

Lease rentals are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as finance lease obligations. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

# 60th Annual Report 2019 - 2020

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### **Company as a lessor**

Amounts due from lessees under finance leases are recorded as receivables based on the Company's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### **(q) Provisions and Contingent Liabilities**

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses, except on long term contracts, if applicable.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditure arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### **(r) Government grants**

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.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### **(s) 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, bonus element in a right issue, share split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a 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 share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **(t) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **(u) Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020

## 2. PROPERTY, PLANT AND EQUIPMENT

Gross block	(Rs. in lakhs)										
	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Right of use assets (refer note 50)	Computers	Office equipment	Enabling assets	Total
<b>Balance as at April 01, 2018</b>	523	1,269	2,736	9,094	152	113	—	70	84	161	14,202
Additions/Adjustments	—	400	36	1,137	18	16	—	18	9	—	1,634
Deletions/Adjustments	—	—	—	(442)	(2)	—	—	(1)	—	—	(445)
<b>Balance as at March 31, 2019</b>	523	1,669	2,772	9,789	168	129	—	87	93	161	15,391
Additions/Adjustments	—	—	129	1,459	12	—	55	27	17	—	1,699
Deletions/Adjustments	—	—	—	—	(1)	—	—	(1)	—	—	(2)
<b>Balance as at March 31, 2020</b>	523	1,669	2,901	11,248	179	129	55	113	110	161	17,088
<b>Accumulated depreciation and amortisation</b>											
<b>Balance as at April 01, 2018</b>	—	55	361	2,161	46	38	—	47	31	17	2,756
Depreciation/amortisation	—	18	195	899	26	21	—	15	18	16	1,208
Deletions/Adjustments	—	—	—	(437)	(2)	—	—	(1)	—	—	(440)
<b>Balance as at March 31, 2019</b>	—	73	556	2,623	70	59	—	61	49	33	3,524
Depreciation/amortisation	—	23	186	996	26	21	20	17	16	16	1,321
Deletions/Adjustments	—	—	—	—	(1)	—	—	(1)	—	—	(2)
<b>Balance as at March 31, 2020</b>	—	96	742	3,619	95	80	20	77	65	49	4,843
<b>Net block</b>											
<b>Balance as at March 31, 2019</b>	523	1,596	2,216	7,166	98	70	—	26	44	128	11,867
<b>Balance as at March 31, 2020</b>	523	1,573	2,159	7,629	84	49	35	36	45	112	12,245

Note: Enabling Assets represent high voltage service line drawn from Maharashtra State Electricity Board and funded by the Company, the ownership of which does not vest with the Company.

## 3. OTHER INTANGIBLE ASSETS

Gross block	(Rs. in lakhs)	
	Computer Software	Total
<b>Balance as at April 01, 2018</b>	70	70
Additions/Adjustments	78	78
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2019</b>	148	148
Additions/Adjustments	37	37
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2020</b>	185	185
<b>Accumulated depreciation and amortisation</b>		
<b>Balance as at April 01, 2018</b>	36	36
Depreciation/amortisation	36	36
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2019</b>	72	72
Depreciation/amortisation	51	51
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2020</b>	123	123
<b>Net block</b>		
<b>Balance as at March 31, 2019</b>	76	76
<b>Balance as at March 31, 2020</b>	62	62

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 4. INVESTMENTS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Trade Investments in Equity Instruments – Unquoted, at Cost</b>		
Investment in Others:		
11,361,999 Equity Shares in Transafe Services Limited of Rs. 10 each, fully paid up (Refer Note 43 and 52)	1,818	1,818
	<b>1,818</b>	<b>1,818</b>
Aggregate amount of quoted investments and market value thereof	—	—
Aggregate amount of unquoted investments	<b>1,818</b>	<b>1,818</b>

#### 5. LOANS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
<b>Security Deposits</b>		
Security deposits	390	272
Considered doubtful	7	7
Less: Provision for doubtful deposits	(7)	(7)
	<b>390</b>	<b>272</b>
<b>Other Loans</b>		
Others – considered good	10	—
	<b>400</b>	<b>272</b>

#### 6. OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Bank deposit with maturity more than 12 months	35	8
	<b>35</b>	<b>8</b>


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**7. OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Capital advances	694	313
Prepaid expenses	1	12
Balances with government authorities	142	590
	<b>837</b>	<b>915</b>

**8. INVENTORIES**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Raw materials and packing materials		
Goods-in-transit	16	165
Others	3,953	2,640
	<b>3,969</b>	<b>2,805</b>
Work-in-progress	1,107	1,060
Finished goods	1,210	1,356
Stock-in-trade	26	43
Stores and spares	1,164	972
	<b>7,476</b>	<b>6,236</b>

**9. TRADE RECEIVABLES (UNSECURED)**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Considered good	8,014	8,144
Considered doubtful	97	96
Less: Provision for doubtful debts	(97)	(96)
	<b>8,014</b>	<b>8,144</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 10. CASH AND BANK BALANCES

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Cash and cash equivalents</b>		
Balances with banks in current accounts	645	249
Deposits with original maturity less than 3 months	949	16
Cash on hand	2	2
	<b>1,596</b>	267
<b>Other bank balances</b>		
Restricted balance with bank in current account	55	55
Unpaid dividend accounts	51	43
Deposits with maturity of more than three months but less than twelve months	4	60
	<b>110</b>	158
	<b>1,706</b>	425

#### 11. LOANS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Security deposits	91	89
Loans and advances to employees	27	2
Recoverable from related parties	—	1
Others - considered good	67	57
Others - considered doubtful	14	14
Less: Provision for doubtful loans	(14)	(14)
	<b>185</b>	149

#### 12. OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
Duty drawback	38	36
Receivable under Merchandise Exports from India Scheme (MEIS)	388	309
Derivative financial instruments	169	5
	<b>595</b>	350




**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**13. OTHER CURRENT ASSETS**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
[Unsecured, considered good (unless otherwise stated)]		
<b>Advances other than capital advances</b>		
Advance to suppliers	211	214
Balances with government authorities	1,535	1,783
Prepaid expenses	197	156
	<b>1,943</b>	<b>2,153</b>

**14. EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Authorised:</b> 19,000,000 (Previous Year: 19,000,000) Equity Shares of Rs. 10 each	<b>1,900</b>	1,900
<b>Issued:</b> 17,974,814 (Previous Year: 17,974,814) Equity Shares of Rs. 10 each	<b>1,797</b>	1,797
<b>Subscribed and Paid-Up:</b> 17,952,014 (Previous Year: 17,952,014) Equity Shares of Rs. 10 each fully paid up	<b>1,795</b>	1,795
Add: Forfeited Equity Shares [22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid up Rs. 5 each)]	<b>1</b> —	1 —
	<b>1,796</b>	1,796

**(a) Reconciliation of Share Capital:**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount (Rs. in lakhs)	No. of Shares	Amount (Rs. in lakhs)
Balance as at the beginning of the year	17,974,814	1,796	17,974,814	1,796
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	17,974,814	1,796	17,974,814	1,796

**(b) Rights, preferences and restrictions:**

The Company has one class of equity shares having a par value of Rs. 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 the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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) No bonus shares has been issued during last five years.**

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares:</b>				
Balmer Lawrie and Company Limited	8,601,277	47.91%	8,601,277	47.91%
Greif International Holding B.V.	8,601,282	47.91%	8,601,282	47.91%

#### 15. OTHER EQUITY

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Reserves and surplus</b>		
Securities premium *	3,218	3,218
General reserve **	796	796
Retained earnings ***	9,534	9,034
	<b>13,548</b>	13,048
<b>Other</b>		
Deemed equity contribution on loan from shareholder	185	185
Cash flow hedge reserve account	(195)	(182)
Other comprehensive Income – Others	—	—
	<b>(10)</b>	3
Total	<b>13,538</b>	13,051

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>* Securities premium reserve</b>		
Balance as at the beginning of the year	3,218	3,218
Add : Additions made during the year	—	—
Balance as at the end of the year	<b>3,218</b>	3,218
Nature and Purpose - Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.		
<b>** General reserve</b>		
Balance as at the beginning of the year	796	796
Transaction during the year		
Add : Transfer from Surplus in the Statement of Profit and Loss	—	—
Balance as at the end of the year	<b>796</b>	796



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>*** Retained earnings</b>		
<b>Balance as at the beginning of the year</b>	9,034	8,234
Transaction during the year		
Net profit for the year	2,516	2,442
Dividend	(1,616)	(1,436)
Tax on dividends	(332)	(295)
Transfer from other comprehensive income	(68)	89
<b>Balance as at the end of the year</b>	9,534	9,034
<b>Deemed equity contribution on loan from shareholder</b>		
<b>Balance as at the beginning of the year</b>	185	185
Transaction during the year	—	—
<b>Balance as at the end of the year</b>	185	185
Nature and Purpose - The difference between the fair value of interest free borrowing from shareholder and the transaction price is recognised as a deemed equity component of the shareholder.		
<b>Other comprehensive income</b>		
<b>Other income</b>		
<b>Balance as at the beginning of the year</b>	—	—
Transaction during the year		
Actuarial gain or loss	(104)	137
Deferred tax on actuarial gain or loss	36	(48)
Transferred to retained earnings	68	(89)
<b>Balance as at the end of the year</b>	—	—
<b>Cash flow hedge reserve account</b>		
<b>Balance as at the beginning of the year</b>	182	—
Add: Changes during the year		
Effective portion of losses on hedging instruments	20	279
Deferred tax on losses of hedging instruments	(7)	(97)
<b>Balance as at the end of the year</b>	195	182

Nature and Purpose – The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated with its foreign currency borrowings. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amount recognised in the cash flow hedge reserve is reclassified to profit and loss when hedged items affect profit and loss.

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 16. NON – CURRENT FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Secured</b>		
Term loan from banks (refer note i, ii, iv and 22)	5,008	2,316
Vehicle loans from bank / financial institution (refer note v and 22)	—	3
	<b>5,008</b>	<b>2,319</b>

Nature of security and terms of repayment for secured borrowings	
<p>(i) Term Loan from Axis Bank is secured against specific assets of Bangalore Unit.</p> <p>(ii) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable property, plant and equipment including Plant and Equipment of the Company, located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai. First and exclusive equitable mortgage on immovable properties being property located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk Village, Kanchipuram district, Chennai.</p> <p>(iii) Loan of Rs. 1,818 lakhs from Balmer Lawrie and Company Limited is secured by pledge on all the shares held by the Company in Transafe Services Limited.</p> <p>(iv) Term Loan from Standard Chartered Bank is secured by first and exclusive hypothecation charge on all existing and future movable property, plant and equipment including Plant and Equipment of the Company, located at survey no-Plot no.D3/124 &amp; 125 &amp; 126, Dahej III, GIDC, Taluka- Vagra District- Bharuch, Gujarat-392130, and Khasara No.122, Central Hope Town, Pargana Pachwa Doon, District- Dehradun, Uttarakhand-248197.</p> <p>(v) Vehicle Loans from bank and financial institution are secured by hypothecation of vehicles purchased against the loan.</p>	<p>(a) Loan of Rs.1000 lakhs with outstanding amount of Rs. 245 lakhs repayable in 2 equated monthly instalments of Rs.125 lakhs each from the reporting date (short/excess being adjusted in the last instalment), with interest of 10.15% per annum as at the Balance Sheet.</p> <p>(a) Loan of Rs.1000 lakhs with outstanding amount of Rs. 405 lakhs repayable in 9 equated monthly instalments of Rs. 43 lakhs each from the reporting date (short/excess being adjusted in the last instalment), with interest of 10% per annum as at the Balance Sheet.</p> <p>Repayable within 120 months from the date of disbursement of first instalment (August, 2009) of the loan. Interest to be paid annually at 9% or the prevailing bank rate, whichever is higher. The Company has not accrued interest expense for the current financial year aggregating Rs. 164 lakhs (Previous year Rs. 164 lakhs). (Refer Note 22 and 43)</p> <p>(a) Loan of Rs. 4,802 lakhs with outstanding amount of Rs. 4,802 lakhs repayable in 21 equal quarterly instalments of Rs.229 lakhs each (short/excess being adjusted in the last instalment) from 29 March 2021, with interest of 9.15% per annum as at the Balance Sheet date.(Refer Note 36 (C))</p> <p>Repayable in installments ranging between 48 and 60 months from the date of respective loan. Interest to be paid monthly at the rate ranging from 9.48% to 10.15% per annum.</p>


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**17. OTHER FINANCIAL LIABILITIES (NON-CURRENT)**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Lease Liability (refer note 50)	19	—
Deferred grant income	16	18
	<b>35</b>	<b>18</b>

**18. PROVISIONS (NON-CURRENT)**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Others		
Provision for indirect taxes (Refer note 47)	23	131
	<b>23</b>	<b>131</b>

**19. DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Deferred tax liabilities</b>		
Depreciation	1,084	1,040
<b>Deferred tax assets</b>		
Provision for doubtful debts, advances and deposits	41	31
Provision for indirect taxes	8	46
Provision for employee benefits	240	163
Others	104	97
	<b>691</b>	<b>703</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 20. CURRENT FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Secured</b>		
Cash credit / packing credit (refer note a)	8,029	6,913
Bill discounting (refer note b)	—	28
<b>Unsecured</b>		
Overdraft facility with Bank	3,452	1,405
	<b>11,481</b>	<b>8,346</b>

- (a) Cash Credit/ Packing Credit from Banks are secured by first pari passu charge on current assets viz. inventory of raw materials, work-in-progress, finished goods, stocks, stores and consumables (not relating to plant and equipment), bills receivables/ book debts and other movable assets, both present and future and second pari passu charge on movable plant and equipment (including stores and consumables relating to plant and equipment), both present and future.
- (b) Bill discounting are secured against the earmarked debtors for the purpose of discounting.

#### 21. TRADE PAYABLES

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Dues to Micro and Small Enterprises	291	623
Dues to others	3,367	3,187
	<b>3,658</b>	<b>3,810</b>

The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). The disclosure pursuant to the said Act is as under:

Particulars	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
Principal amount due to suppliers under MSMED Act (Including Payable for Property, plant and equipment)	291	623
Interest accrued and due to suppliers under MSMED Act on the above unpaid amount	4	5
Payment made to suppliers (other than interest) beyond the appointed day during the year	655	1,253
Interest paid to suppliers under MSMED Act (Other than Section 16)	—	—
Interest paid to suppliers under MSMED Act (Section 16)	—	—
Interest due and payable to suppliers under MSMED Act for payment already made	4	10
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	59	51

**Note:** This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**22. OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Current maturities of long-term debt (refer note 43 and note 16)	2,687	2,455
Interest accrued and due on borrowings	—	58
Interest accrued but not due on borrowings	36	33
Unpaid dividends	51	43
Deposits received	168	165
Employee benefits payable	437	331
Payable for property, plant and equipment	15	61
Derivative financial instruments	—	244
Lease Liability (refer note 50)	20	—
Overdraft facility with bank	—	8
Deferred grant income	2	2
Outstanding expenses	677	859
	<b>4,093</b>	<b>4,259</b>

There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.

**23. CURRENT PROVISIONS**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 41(b))	184	52
Provision for compensated absences (refer note 41(c))	338	232
	<b>522</b>	<b>284</b>

**24. CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Provision for tax [net of advance tax]	207	151
	<b>207</b>	<b>151</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 25. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Advances from customers	261	341
Statutory dues	121	108
	<b>382</b>	<b>449</b>

#### 26. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
Sale of products	40,341	46,012
Sale of services	29	57
Recovery towards freight outward	1,134	1,059
<b>Other Operating Revenue</b>		
Scrap sales	1,488	1,929
Income from duty drawback / MEIS	561	827
	<b>43,553</b>	<b>49,884</b>

#### 27. OTHER INCOME

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Interest income		
From fixed deposits with banks	2	6
From others	14	27
Profit on sale of property, plant and equipment (Net)	—	27
Gain on foreign exchange (Net)	394	—
Liabilities no longer required written back	382	80
Deferred grant income	2	2
Miscellaneous Income	7	1
	<b>801</b>	<b>143</b>




**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**28. COST OF MATERIALS CONSUMED**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Raw materials and packing materials consumed</b>		
Opening inventory	2,805	3,094
Add: Purchases	25,936	31,520
Less: Closing inventory	3,969	2,805
	<b>24,772</b>	<b>31,809</b>

**29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>At the end of the year</b>		
Work-in-progress	1,107	1,060
Finished goods	1,210	1,356
Stock-in-trade	26	43
	<b>2,343</b>	<b>2,459</b>
<b>At the beginning of the year</b>		
Work-in-progress	1,060	971
Finished goods	1,356	948
Stock-in-trade	43	5
	<b>2,459</b>	<b>1,924</b>
	<b>116</b>	<b>(535)</b>

**30. EMPLOYEE BENEFITS EXPENSE**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Salaries, wages and bonus (refer note 41(c))	4,375	3,832
Contribution to provident and other funds (refer note 41(a) and 41(b))	363	333
Staff welfare expenses	378	379
	<b>5,116</b>	<b>4,544</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 31. FINANCE COSTS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Interest on borrowings:		
– From banks	918	804
– From others	—	56
Other borrowing costs	62	80
	<b>980</b>	<b>940</b>

#### 32. OTHER EXPENSES

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Consumption of stores and spare parts	1,036	1,207
Power, fuel and water charges	2,559	2,557
Screen printing charges	201	227
Repairs and maintenance:		
Plant and equipment	283	315
Buildings	78	91
Others	167	101
Rent (refer note 50)	88	34
Rates and taxes	97	109
Bank charges	78	52
Insurance	97	36
Communication charges	37	31
Printing and stationery	24	24
System and software expenses	69	11
Travelling, conveyance and car expenses	176	201
Security and safety expenses	137	135
Legal, professional and secretarial expenses (refer note 45)	148	161
Corporate social responsibility expenses (refer note 46)	66	54
Freight and transportation expenses	2,461	2,554
Commission on sales	27	32
Export processing charges	14	26
Loss on foreign exchange (net)	—	10
Provision for doubtful debts	1	27
Bad Debts	10	—
Miscellaneous expenses	127	120
	<b>7,981</b>	<b>8,115</b>


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**33. TAX EXPENSE**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>Current tax expense</b>		
Current tax for the year	1,294	1,240
<b>Deferred tax expenses</b>		
Decrease / (Increase) in deferred tax assets	(13)	26
Increase in deferred tax liabilities	44	31
	31	57
	1,325	1,297
<b>Tax reconciliation</b>		
<b>Profit before tax</b>	3,841	3,739
Taxes at applicable rate	1,342	1,306
<b>Tax effect of amounts which are not deductible / taxable</b>		
Interest on delayed payment of income tax	—	2
Interest on MSMED	2	5
Corporate social responsibility expenses	17	8
Loss/ (Profit) on sale of asset	—	(9)
Deferred grant income	(1)	(1)
	18	5
<b>Other tax deductions</b>		
Donation u/s 80G	20	5
Deduction u/s 35DD	12	12
	32	17
Others	(3)	3
<b>Income tax expense</b>	1,325	1,297

**34. OTHER COMPREHENSIVE INCOME**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Actuarial gain/(loss) on defined benefit obligations (refer note 41(b))	(104)	137
Deferred loss on cash flow hedges	(20)	(279)
Deferred taxes on above	43	49
	(81)	(93)

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### 35. FAIR VALUE MEASUREMENTS

#### Financial instruments by category:

All financial assets and financial liabilities, except derivatives of the Company are under the amortised cost measurement category at each of the reporting dates. Derivatives are recognised and measured at fair value through profit and loss.

#### Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Financial assets and liabilities measured at fair value at each reporting date

Only derivative financial liability are measured at fair value through profit or loss at each reporting date. Since, the valuation involves maximum use of observable inputs, valuation of forward contract derivatives is categorised as level 2.

#### Financial assets and financial liabilities measured at amortised cost, but for which fair values are disclosed as below:

(Rs. in lakhs)

Fair value for assets measured at amortised cost	March 31, 2020				March 31, 2019			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial liabilities</b>								
Borrowings (other than current borrowings)	—	7,731	—	7,731	—	4,865	—	4,865
Lease Liability	—	39	—	39	—	—	—	—
<b>Financial assets</b>								
Fixed deposits with bank	—	988	—	988	—	84	—	84

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of security deposits, current loans, other financial assets, fixed deposits with banks (other than stated above), borrowings (other than stated above), trade payables and other current financial liabilities are considered to be approximately equal to their fair value.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current market interest rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable inputs.

#### Valuation processes

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### 36. FINANCIAL RISK MANAGEMENT

The Company is exposed to credit risk, liquidity risk and market risk.

#### A Credit risk

Credit risk arises from cash and bank balances, current and non-current loans, trade receivables and other financial assets carried at amortised cost.

##### Credit risk management

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

Bank balances are held with only high rated banks and majority of security deposits are placed majorly with government agencies. Trade receivables are generally recovered within the credit period. Accordingly, the provision for impairment is considered immaterial. Also, trade receivables are monitored on periodic basis for any non-recoverability of the dues.

#### B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

##### Liquidity risk management

The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. The processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

### Maturities of non – derivative financial liabilities

As at March 31, 2020

(Rs. in lakhs)

Particulars	Within 6 months	6 months to 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-current borrowings from banks (including current maturities)	487	392	915	3,661	5,455
Vehicle loans from bank / financial institution	3	—	—	—	3
Loan from Balmer Lawrie and Company Limited	1,818	—	—	—	1,818
Current financial liabilities – Borrowings	11,481	—	—	—	11,481
Trade payables	3,658	—	—	—	3,658
Other current financial liabilities	1,370	—	—	—	1,370
<b>Total</b>	<b>18,817</b>	<b>392</b>	<b>915</b>	<b>3,661</b>	<b>23,785</b>

As at March 31, 2019

(Rs. in lakhs)

Particulars	Within 6 months	6 months to 1 year	Between 1 and 2 years	Beyond 2 years	Total
Non-current borrowings from banks (including current maturities)	530	534	1,094	5,681	7,839
Vehicle loans from bank / financial institution	2	2	3	—	7
Loan from Balmer Lawrie and Company Limited	1,818	—	—	—	1,818
Current financial liabilities – Borrowings	8,346	—	—	—	8,346
Trade payables	3,810	—	—	—	3,810
Other current financial liabilities	1,703	—	—	—	1,703
<b>Total</b>	<b>16,209</b>	<b>536</b>	<b>1,097</b>	<b>5,681</b>	<b>23,523</b>

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### C Market risk

#### Foreign currency risk

The Company is exposed to foreign currency risk to the extent there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees. Some sales and purchase are denominated in USD, AUD and EURO.

#### Foreign currency risk management

The Company imports certain raw materials which are denominated in USD, which exposes it to foreign currency risk. Exposures are kept open since the management believes that the same will be offset by the corresponding receivables, which will be in the nature of natural hedge.

#### Foreign currency risk exposure

(Rs. in lakhs)

Particulars	March 31, 2020			March 31, 2019		
	USD	AUD	Euro	USD	AUD	Euro
<b>Financial assets</b>						
Trade receivables (net of forward contract derivatives)	1,853	29	706	2,068	38	713
Advances to Vendors	318	—	22	104	—	—
<b>Financial liabilities</b>						
Trade payables (net of balance covered by forward contract derivatives)	1,455	36	20	1,399	20	2
Advance received from customers	—	—	—	34	—	9

#### Sensitivity to foreign currency risk

(Rs. in lakhs)

Particulars	Impact on statement of profit and loss for the year ended	
	March 31, 2020	March 31, 2019
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	36	37
Decrease by 5%	(36)	(37)
<b>Euro sensitivity</b>		
INR / Euro		
Increase by 5%	35	35
Decrease by 5%	(35)	(35)
<b>AUD sensitivity</b>		
INR / AUD		
Increase by 5%	(0)	1
Decrease by 5%	0	(1)


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**Impact of hedging activities**
**(a) Disclosure of effects of hedge accounting on financial position**
**As at March 31, 2020**

(Rs. in lakhs)

Type of hedge and risks	Notional value		Carrying amount of hedging instrument		Maturity date	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b> Foreign currency and interest rate risk (i) Cross currency swaps	—	5,269	169	—	27 March 2026	100.00%	USD: Rs.68.99	351	(351)

**(b) Disclosure of effects of hedge accounting on financial performance**
**For the year ended March 31, 2020**

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income/(loss)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
<b>Cash flow hedge</b> Foreign currency and interest rate risk (i) Cross currency swaps	351	—	(468)	Other expenses (decreased by Rs.468 lakhs)

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument.

For cross currency swap contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. cross currency swap contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. foreign currency borrowings. Hypothetical derivative matches the critical terms i.e. maturity date, currency and amount of foreign currency borrowings.

In hedges of foreign currency borrowings, ineffectiveness mainly arises because of Change in timing of hedged item from that of the hedging instrument and cost of hedging. There were no ineffectiveness recognised in the statement of profit and loss during the year ended March 31, 2020.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### (c) Movements in cash flow hedging reserve

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>As at April 01</b>	<b>(182)</b>	—
Add: Changes in fair value of swap	351	(245)
Less: Amount reclassified to profit or loss	(468)	(34)
Less: Deferred tax relating to above (net)	104	97
<b>As at March 31</b>	<b>(195)</b>	(182)

## 37. CAPITAL MANAGEMENT

### 37.1 Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders.

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
The capital composition is as follows:		
Net debt#	17,616	12,944
Total equity	15,334	14,847
<b>Net debt to equity ratio</b>	<b>115%</b>	87%

# includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest accrued but not due & interest accrued and due on borrowings (net of cash and cash equivalents).

#### Debt covenants

As per the signed agreement of the major borrowing facilities sanctioned, the Company is required to give undertaking to the bank that assets financed/ to be financed under term loan facility is/ will not be financed by any other bank/financial institution. Cost overruns shall be borne by the borrower.

As per the agreement letter of other major borrowing facilities sanctioned, the Company is required to comply with various financial covenants viz. Company shall not invest any amount for acquisition of fixed assets without any long term arrangement and without maintaining current ratio of 1.10:1.

### 37.2 Dividends

Particulars	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
<b>Equity dividend</b>		
Final dividend for the year ended March 31, 2019 of Rs. 9.0 (March 31, 2018 – Rs. 8.0) per fully paid share	1,616	1,436



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.****38. RELATED PARTY DISCLOSURES:**

As per Ind AS 24, "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

**(I) List of related parties and relationship.****(i) Parties having joint control over the Company**

Balmer Lawrie and Company Limited  
Greif International Holding B.V.

**(ii) Joint Venture**

Transafe Services Limited (refer note 52)

**(iii) Parties under the common control**

Balmer Lawrie (UAE) LLC  
Greif Singapore Pte Ltd  
Greif Egypt LLC  
Greif Nederland B.V.  
Greif France SAS  
Greif Saudi Arabia Ltd  
Greif Czech Republic A.S.  
Greif Vologda Limited Liability Company Russian  
Hwyang Industry Co. Ltd  
Greif Nigeria PLC  
Greif Sweden AB  
Greif Mexico, S.A. de C.V.  
Pachmas Packaging Ltd  
American Flange and Manufacturing Co. Inc.  
Kunststofftechnik Hartmut Muehlhoff GmbH & Co. Kg  
Greif Embalagenes Ind do Brasil Ltda  
Trisure Closures Australia PTY Limited  
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.  
Greif Germany GmbH  
Greif Beheer B.V.  
Greif Packaging B.V.  
Greif Flexibles Trading Holding B.V.

**(iv) Key Managerial Personnel**

- (a) Girish Pundlik - Managing Director
- (b) Sanjay Datta - Chief Financial Officer
- (c) Rajesh Juthani - Company Secretary

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

**Related Party Disclosures**

**(II) Transactions during the year with related parties:**

Nature of Transaction	(Rs. in lakhs)					
	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
<b>Purchase of Raw Materials and Stores (Inclusive of Levies and taxes)</b>						
Balmer Lawrie and Company Limited	—	3	—	—	—	—
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	51	18
Greif Singapore Pte Ltd	—	—	—	—	—	4
Greif Nederland B.V.	—	—	—	—	34	99
Greif Germany Gmbh	—	—	—	—	—	282
Tri-Sure Closures System ( Zhenjiang ) Co. Ltd.	—	—	—	—	—	7
Tri-Sure Closures Australia PTY Limited	—	—	—	—	43	145
		3			128	555
<b>Sale of Finished Goods (Exclusive of levies and taxes)</b>						
Balmer Lawrie and Company Limited	1,706	2,085	—	—	—	—
Balmer Lawrie (UAE) LLC	—	—	—	—	318	702
Greif Singapore Pte Ltd	—	—	—	—	—	1,379
American Flange and Manufacturing Co. Inc.	—	—	—	—	4,069	4,878
Greif Egypt LLC	—	—	—	—	115	162
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	71	879
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	1,902	612
Tri-Sure Closures Australia PTy Ltd.	—	—	—	—	(9)	136
Greif Czech Republic A.S	—	—	—	—	28	19
Greif France SAS	—	—	—	—	93	118
Greif Mexico, S.A.De C.V.	—	—	—	—	81	361
Greif Nigeria PLC	—	—	—	—	—	7
Greif Saudi Arabia Ltd	—	—	—	—	291	138
Greif Sweden AB	—	—	—	—	92	32
Greif Vologda Limited Liability Company Russian	—	—	—	—	178	148
Kunststofftechnik	—	—	—	—	—	1
Pachmas Packaging Limited	—	—	—	—	46	85
Hwyang Industry Co. Ltd.	—	—	—	—	179	—
Greif Nederland B.V.	—	—	—	—	992	970
	1,706	2,085	—	—	8,446	10,627
<b>Lease Rent Expenses</b>						
Balmer Lawrie and Company Limited	1	1	—	—	—	—
	1	1	—	—	—	—
<b>Purchase of Services</b>						
Balmer Lawrie and Company Limited	314	640	—	—	—	—
Greif Beheer B.V.	—	—	—	—	—	43
Greif Packaging B.V.	—	—	—	—	—	24
	314	640	—	—	—	67



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

## Related Party Disclosures

## (II) Transactions during the year with related parties – (contd.)

(Rs. in lakhs)

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above	
	2019-2020	2018-2019	2019-2020	2018-2019
			Parties referred to in (ii) above	
<b>Commission Expense</b> Greif Nederland B.V.	—	—	—	—
<b>Loan Received</b> Balmer Lawrie and Company Limited	—	1,010	—	—
	—	1,010	—	—
<b>Repayment of Loan Taken</b> Balmer Lawrie and Company Limited	—	1,010	—	—
	—	1,010	—	—
<b>Expenses Reimbursed by other Companies</b> Greif Flexibles Trading Holding BV	—	—	—	—
	—	—	—	16
	—	—	—	16
<b>Interest Expense</b> Balmer Lawrie and Company Limited	—	56	—	—
	—	56	—	—
<b>Dividend Paid</b> Balmer Lawrie and Company Limited	774	688	—	—
Greif International Holding B.V.	774	688	—	—
	1,548	1,376	—	—

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

**Related Party Disclosures**

**(III) Amount Due to / from related parties:**

Nature of Balance	(Rs. in lakhs)					
	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
<b>Outstanding Receivable (Net of Payable)</b>						
Balmer Lawrie and Company Limited	347	334	—	—	—	—
Transafe Services Limited	—	—	3	—	—	—
Greif Singapore Pte Ltd	—	—	—	—	—	226
Greif Egypt LLC	—	—	—	—	—	38
American Flange and Manufacturing Co. Inc.	—	—	—	—	1,260	1,413
Balmer Lawrie (UAE) LLC	—	—	—	—	53	85
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	—	—	425	176
Greif France SAS	—	—	—	—	31	30
Greif Mexico S.A.DE C.V	—	—	—	—	—	26
Greif Nederland B.V.	—	—	—	—	192	184
Greif Saudi Arabia Co. Ltd.	—	—	—	—	93	34
Greif Vologda Limited Liability Company Russian	—	—	—	—	65	29
Pachmas Packaging Limited	—	—	—	—	43	40
Greif Sweden AB	—	—	—	—	30	28
Kunststofftechnik	—	—	—	—	—	1
Tri-Sure Closures Australia Pty Ltd.	—	—	—	—	—	18
	<b>347</b>	<b>334</b>	<b>3</b>	<b>—</b>	<b>2,192</b>	<b>2,328</b>
<b>Outstanding Payable (Net of Receivable)</b>						
Greif Embalagenes Ind do Brasil Ltda	—	—	—	—	12	3
Tri-Sure Closures Australia Pty Ltd.	—	—	—	—	2	—
	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>14</b>	<b>3</b>
<b>Outstanding Loan Payable (Including Interest)</b>						
Balmer Lawrie and Company Limited	1,818	1,818	—	—	—	—
	<b>1,818</b>	<b>1,818</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Commission payable</b>						
Greif Nederland B.V.	—	—	—	—	11	14
	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>11</b>	<b>14</b>

**Transactions with Key Management Personnel (KMP):**

(Rs. in lakhs)

Particulars	March 31, 2020	March 31, 2019
	Remuneration to Girish Pundlik	36
Remuneration to Sanjay Datta	28	25
Remuneration to Rajesh Juthani	31	29



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

**39. NET DEBT RECONCILIATION**

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
Cash and cash equivalents	1,596	267
Non-current borrowings (including current maturities)	(7,695)	(4,774)
Current borrowings	(11,481)	(8,346)
Interest payable	(36)	(91)
<b>Net Debt</b>	<b>(17,616)</b>	<b>(12,944)</b>

(Rs. in lakhs)

	Cash and cash equivalents	Non-current borrowings (including current maturities)	Current borrowings	Interest Payable
<b>Net debt as at April 01, 2019</b>	<b>267</b>	<b>(4,774)</b>	<b>(8,346)</b>	<b>(91)</b>
Cash flows	1,329	(2,921)	(3,135)	—
Finance costs	—	—	—	(980)
Interest paid	—	—	—	1,030
Adjustment on account of Ind AS 116	—	—	—	5
<b>Net debt as at March 31, 2020</b>	<b>1,596</b>	<b>(7,695)</b>	<b>(11,481)</b>	<b>(36)</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

#### 40. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2020 (Rs. in lakhs)	As at March 31, 2019 (Rs. in lakhs)
<b>(a) Contingent Liabilities</b>		
(a) Sales Tax Liability that may arise in respect of matters in appeal	45	68
(b) Income Tax Liability that may arise in respect of matters in appeal	247	260
(c) Sales tax liability that may arise on account of uncollected 'C' Forms	—	19
(d) Service tax/excise duty/customs duty liability that may arise in respect of matters in appeal	55	39
(e) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	311	109
<b>Notes:</b>		
1. The Company does not expect any reimbursement in respect of the above contingent liabilities.		
2. It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) to (d) above, pending resolution / completion of the appellate proceedings/other proceedings, as applicable.		
<b>Other Matter</b>		
The Honourable Supreme Court, has passed a judgement on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.		
<b>(b) Commitments</b>		
(a) Estimated value of contracts in capital account remaining to be executed (net of capital advance)	1,186	761

#### 41. EMPLOYEE BENEFITS

As per Indian Accounting Standard-19, 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

##### (a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
Employer's Contribution to Provident fund	184	167
Employer's Contribution to ESIC	8	24
Employer's Contribution to Superannuation	51	49



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

**(b) Defined Benefit Plan:**

**Gratuity**

In accordance with Indian Accounting Standard-19, 'Employee Benefits', actuarial valuation was carried out in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

	<b>Year ended March 31, 2020 (Rs. in lakhs)</b>	Year ended March 31, 2019 (Rs. in lakhs)
<b>Mortality Table</b>	<b>Indian Assured Lives Mortality (2012-14)</b>	Indian Assured Lives Mortality (2006-08)
Discount rate	<b>6.35%</b>	7.45%
Salary growth rate	<b>5.00%</b>	5.00%
Withdrawal rate	<b>5.00%</b>	5.00%
<b>Changes in the Fair value of Plan Assets</b>		
Present value of plan assets at the beginning of the year	<b>781</b>	682
Investment income	<b>58</b>	51
Employer's contribution	<b>32</b>	82
Employee's contribution	<b>—</b>	—
Benefits paid	<b>(36)</b>	(34)
Return on plan assets, excluding amount recognised in net interest expense	<b>(45)</b>	—
<b>Fair Value of Plan Assets at the end of the year</b>	<b>790</b>	781
<b>Changes in the Present Value of Obligation</b>		
Present value of obligation at the beginning of the year	<b>833</b>	878
Current service cost	<b>56</b>	60
Interest expenses or cost	<b>62</b>	66
Re-measurement (or actuarial) (gain) / loss arising from:		
– change in the demographic assumptions	<b>—</b>	—
– change in the financial assumptions	<b>69</b>	(119)
– experience variance (i.e. actual experience v/s assumptions)	<b>(10)</b>	(18)
Past service cost	<b>—</b>	—
Benefits paid	<b>(36)</b>	(34)
<b>Present Value of Obligation at the end of the year</b>	<b>974</b>	833
<b>Particulars</b>	<b>As at March 31, 2020 (Rs. in lakhs)</b>	As at March 31, 2019 (Rs. in lakhs)
<b>Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	<b>974</b>	833
Fair Value of Plan Assets at the end of the year	<b>(790)</b>	(781)
<b>Net Liability recognised at the end of the year</b>	<b>184</b>	52
<b>Percentage of each category of plan assets to total fair value of plan assets as at year end:</b>		
Administered by Life Insurance Corporation of India	<b>100.00%</b>	100.00%

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

Particulars	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	56	60
Past service cost	—	—
Net interest cost / (income) on the net defined benefit liability/(assets)	4	15
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>60</b>	<b>75</b>
Actuarial (gains) / losses		
— change in demographic assumptions	—	—
— change in financial assumptions	69	(119)
— experience variance (i.e. actual experience v/s assumptions)	(10)	(18)
Return on plan assets, excluding amount recognised in net interest expense	45	—
<b>Actuarial (Gain) / Loss recognised in Other Comprehensive Income</b>	<b>104</b>	<b>(137)</b>
<b>Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cash flows)	<b>7 years</b>	
<b>Expected cash flows over the next (valued on undiscounted basis) :</b>		
1 year	107	
2 to 5 years	381	
6 to 10 years	545	
More than 10 years	582	

#### Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

Defined Benefit Obligation (Base) 974 833

Particulars	March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate ( -/+ 1%)	1,045	912	892	781
(% change compared to base due to sensitivity)	7.2%	-6.5%	7.0%	-6.3%
Salary Growth Rate ( -/+ 1%)	911	1,044	780	892
(% change compared to base due to sensitivity)	-6.6%	7.2%	-6.5%	7.1%
Attrition Rate ( -/+ 50%)	961	985	812	851
(% change compared to base due to sensitivity)	-1.4%	1.1%	-2.6%	2.1%
Mortality Rate ( -/+ 10%)	974	975	833	834
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

#### (c) Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net (credit)/ charge to the Statement of Profit and Loss for the year is Rs.106 lakhs (Previous Year: Rs. (52) lakhs).





**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

**42. SEGMENT REPORTING**

The Company's chief operating decision maker - Board of Directors examines the Company's performance from a product perspective and has identified two reportable segments of its business:

- (i) Steel Drum Closures
- (ii) Plastic Containers

The above operating segments have been identified considering:

- (i) The internal financial reporting systems
- (ii) The nature of the product
- (iii) The risk return profile of individual divisions

Revenue and expenses has been accounted on the basis of their relationship to the operating activities of the segment. Income and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Income" and "Unallocable Expenses" respectively. Assets and Liabilities, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets/ Liabilities". Inter-segment transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods.

(Rs. in lakhs)

Particulars	2019-2020			2018-2019		
	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total
<b>Revenue</b>						
External Segment Revenue	18,160	25,393	43,553	21,010	28,874	49,884
<b>Total Revenue</b>	<b>18,160</b>	<b>25,393</b>	<b>43,553</b>	<b>21,010</b>	<b>28,874</b>	<b>49,884</b>
<b>Result</b>						
Segment Result	2,864	2,620	5,484	3,974	1,703	5,677
Add: Unallocable Income			442			6
Less: Interest Expense			980			940
Less: Unallocable Expenses			1,105			1,006
<b>Profit Before Taxation</b>			<b>3,841</b>			<b>3,739</b>
Less: Tax Expenses			1,325			1,297
<b>Profit After Taxation</b>			<b>2,516</b>			<b>2,442</b>
<b>Other Information</b>						
Segment Assets	15,692	19,594	35,286	17,221	14,126	31,347
Unallocable Assets			6,148			3,970
<b>Total Assets</b>			<b>41,434</b>			<b>35,317</b>
Segment Liabilities	1,752	3,874	5,626	2,032	3,590	5,622
Unallocable Liabilities			20,474			14,848
<b>Total Liabilities</b>			<b>26,100</b>			<b>20,470</b>
<b>Depreciation and amortisation</b>						
Segment	718	549	1,267	473	505	978
Unallocable			105			266
<b>Total Depreciation and amortisation</b>			<b>1,372</b>			<b>1,244</b>
<b>Non-cash expenses other than depreciation and amortisation</b>						
Segment	10	1	11	27	—	27
Unallocable			—			91
<b>Total</b>			<b>11</b>			<b>118</b>
<b>Information about geographical segments *</b>						
<b>Revenue</b>						
India			32,828			38,254
Outside India			10,725			11,630
			<b>43,553</b>			<b>49,884</b>
<b>Non Current Assets</b>						
(Other than financial instrument, deferred tax and employee benefits)						
India			19,261			15,762
Outside India			—			—
			<b>19,261</b>			<b>15,762</b>

\* Sales attributable to any individual foreign country is not material, hence the same has been disclosed on an aggregate basis.

As per Ind AS 108 - Operating Segments, the Company is required to disclose revenue from individual external customers when it is 10 per cent or more of entity's revenue. Since, none of the individual external customers has revenue equal to or more than 10 per cent, no disclosure has been given.

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

43. The Company had purchased 11,361,999 Equity Shares of Rs. 10 each of Transafe Services Limited ("TSL"), an unlisted Company, from ICICI Venture Funds Management Company Limited @ Rs. 16 per share during the year ended March 31, 2010 at the total consideration of Rs. 1,818 lakhs. The investment was made by availing a 100% loan from Balmer Lawrie and Company Limited ("BL") under the loan agreement with BL dated July 31, 2009. As per the said loan agreement, the Company is liable to pay interest on the outstanding principal amount @ 9% per annum or the prevailing bank rate, whichever is higher, annually by September 30 each year.

Post investment, TSL has been reporting continuous losses. Consequent to the losses and erosion in the net worth (negative net worth as at March 31, 2019 date beyond which audited financial statements are not available), the fair value of investment held by the Company has come down. The Company has made no provision in the accounts for such notional diminution in the value of the investment by virtue of the provision in clause 1.3 of the aforesaid loan agreement executed with BL.

As per a legal opinion from a reputed firm of Solicitors and Advocates on the above mentioned clause 1.3 of the loan agreement, the loan is a non recourse loan and the loan amount is secured by pledge of all the TSL shares in favour of BL. This clause read with the letter dated May 05, 2015 from BL, provides that in case the Company defaults in repayment of the outstanding loan amount at the end of 108 months from the date of disbursement i.e. June 30, 2018, BL's recovery will be limited to the collateral of the said TSL shares. On transfer of such shares, neither the Company nor BL shall have any further claims on the other. Investment in TSL will therefore get neutralised against the loan taken from BL having no impact on the profit of the Company.

In the event, the Company desires to sell all or part of the TSL shares within the aforesaid period of 120 months, the same can be done by obtaining prior approval from BL and there shall be an obligation on the Company to repay the loan to BL from the proceeds of such sale of TSL shares and also execute a satisfactory interim security as mutually agreed. Also, in the event of termination of the agreement, the Company shall be liable to repay the entire loan amount along with the interest due thereon to BL.

During the year ended March 31, 2013, the Company had expressed its inability to BL to pay accrued interest amounting to Rs. 295 lakhs (net of TDS) for the financial years ended March 31, 2011 and March 31, 2012. As the Company had never earned any income from this investment and the interest expense was being disallowed under the Income tax Act, 1961, the Company has stopped accruing any further interest. Accordingly, during the financial year ended March 31, 2013, the Company had written back the interest accrued and payable amounting to Rs. 295 lakhs and has not accrued the annual interest expense of Rs. 164 lakhs for the financial years ended March 31, 2013 to March 31, 2020 based on the written communication to BL.

#### 44. EARNINGS PER SHARE

Particulars	Year Ended March 31, 2020 (Rs. in lakhs)	Year Ended March 31, 2019 (Rs. in lakhs)
I. Profit Computation for both Basic and Diluted Earnings per share: Net Profit attributable to equity share holders (Rs. in lakhs)	2,516	2,442
II. Computation of weighted average number of equity shares: Number of shares for Basic and Diluted earnings per share	17,974,814	17,974,814
III. Earnings Per Share: Basic (in Rs.)	14.00	13.58
Diluted (in Rs.)	14.00	13.58

#### 45. AUDITORS' REMUNERATION (EXCLUDING TAXES)

Particulars	Year Ended March 31, 2020 (Rs. in lakhs)	Year Ended March 31, 2019 (Rs. in lakhs)
Audit Fees	34	34
Out of Pocket Expenses	1	1
	35	35


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**
**46. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during the immediately preceding financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits earned during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows:

Particulars	Amount (Rs. in lakhs)
Average net profit of the Company for last three financial years	3,224
Prescribed CSR expenditure (2% of the average net profit as computed above)	64
<b>Details of CSR expenditure during the financial year:</b>	
Total amount provided for CSR during the financial year	66
Amount spent	66
Amount unspent	—

**47. PROVISIONS**

Particulars	Year Ended March 31, 2020 (Rs. in lakhs)	Year Ended March 31, 2019 (Rs. in lakhs)
Balance at the beginning of the year	131	142
Additions (net of reversal)	(108)	(11)
Amount used	—	—
<b>Balance at the end of the year</b>	<b>23</b>	<b>131</b>

**Note:**

It represents probable liabilities arising out of indirect taxes. The timing of the outflow with regards to the said matters depends on the exhaustion of remedies available to the Company under the applicable law and hence the Company is not able to reasonably ascertain the timing of the outflow.

**48. PROPOSED DIVIDEND**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
The final dividend proposed for the year is as follows:		
On equity shares of Rs. 10 each:		
Amount of dividend proposed	1,348	1,616
Dividend per equity share	Rs. 7.50	Rs. 9.00

# 60th Annual Report 2019 - 2020

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.

### 49. DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Dividend paid during the year	774	688
Number of non-resident shareholders	1	1
Number of Equity Shares held by such non-resident shareholders	8,601,282	8,601,282
Year to which the dividends relate	2018-19	2017-18

50. Effective April 01, 2019, the Company has adopted Ind AS 116, "Leases". The Company has used the 'modified retrospective approach'. On transition, the Company has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use assets at the same value as the lease liability. The adoption of the new standard resulted in recognition of 'Right-of-use' assets and an equivalent lease liability as on April 01, 2019.

Particulars	As at and Year ended March 31, 2020
The Balance sheet shows the following amounts relating to leases:	
<b>Right-of-use assets</b>	35
	<b>35</b>
<b>Lease liabilities</b>	
Current	20
Non-current	19
	<b>39</b>
<b>Amounts recognised in statement of profit and loss</b>	
<b>Depreciation charge on Right of use assets</b>	20
	<b>20</b>
Interest expense included in finance cost	5
Expense relating to short-term leases (included in other expenses)	88
Expense relating to leases of low-value assets that are not shown above as short-term leases	—
Expense relating to variable lease payments not included in lease liability	—
Income from sub-leasing right of use asset	—
Total cash outflow for leases during current financial year	22
Additions to the right of use assets during the current financial year (including transitional adjustments)	55
Gains or losses arising from sale & leaseback transactions	—

Payments associated with short-term leases of equipment, vehicles and all leases of low-value assets are recognised on straight line basis as an expense in profit or loss. Short term leases are leases with a term of 12 months or less. There are no low value leased assets during the current year.

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at April 1, 2019.

The weighted average incremental borrowing rate applied is 10%




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**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2020.**

51. In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern”, which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. The impact of COVID-19 on the business operations of the Company, including the duration, cannot be reasonably ascertained at this point in time, however, considering the fact that the Company’s services have been classified as essential services, the management does not anticipate any material adverse impact on the business, results of operations, financial position and cash flows in the financial year ending 31 March 2021.
52. The Hon’ble National Company Law Tribunal, Kolkata (‘NCLT’) vide its Order dated 11 November 2019 has admitted applications filed by operational creditors against Transafe Services Limited, and initiated the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code 2016 (IBC).

Pursuant to the initiation of the CIRP and in accordance with the provisions of IBC, the powers of the Board of Directors of this entity stand suspended and the management of this joint venture presently vests with the Resolution Professional (RP) appointed under the provisions of IBC. Accordingly, effective date of the admission by NCLT, the Company no longer has any control or significant influence on this entity and it ceases to be joint venture of the Company.

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As per our report of even date attached.

For **Walker Chandiok & Co LLP**

*Chartered Accountants*

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

*Partner*

Membership No.: 106815

Mumbai, 12th June, 2020

**For and on behalf of the Board of Directors**

**Girish Pundlik**

– *Managing Director*

DIN: 08099591

**Prabal Basu**

– *Director*

DIN: 06414341

**Sanjay Datta**

– *Chief Financial Officer*

**Rajesh Juthani**

– *Company Secretary*

Membership No.: 07070

Mumbai, 12th June, 2020

