



Balmer Lawrie-Van Leer Limited



**56th Annual Report  
2015 - 2016**

## 56th Annual Report 2015 - 2016

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<b>Directors</b>	:	Reinier Hietink Mohan Menon Prabal Basu Dhandapani Sothi Selvam Kannan Ananthakrishnan Cristina Paula Trigo Alves Zeitz Manjushree Bhatnagar Srikumar Menon Jozef Casparie	Chairman Managing Director Director Director Director Director Director Independent Director Independent Director
<b>Chief Financial Officer</b>	:	Sanjay Datta	
<b>Company Secretary</b>	:	Rajesh Juthani	
<b>Bankers</b>	:	The Hong Kong & Shanghai Banking Corporation Ltd. Bank of India Kotak Mahindra Bank Ltd.	
<b>Statutory Auditors</b>	:	Walker Chandiook & Co LLP	
<b>Secretarial Auditors</b>	:	N L Bhatia & Associates	
<b>Registered Office</b>	:	D-195/2, T.T.C. Indl. Area, MIDC Turbhe, Navi Mumbai-400 705. Tel. : 6739 6400 Fax : 6739 6436 E-mail : blvl@bom2.vsnl.net.in	
<b>Works</b>	:	<b><i>Drum Closure Division:</i></b> D-195/2, T.T.C. Indl. Area, MIDC Turbhe, Navi Mumbai-400 705. Tel. : 6739 6400 Fax : 6739 6436 <b><i>Plastic Container Division Mumbai:</i></b> D-195/2, T.T.C. Indl. Area, MIDC Turbhe, Navi Mumbai-400 705. Tel. : 2763 0035-37 Fax : 2763 0038 <b><i>Plastic Container Division Chennai:</i></b> Village : Janakipuram, Taluk : Madurantakam Dist. : Kancheepuram, Chennai, Tel. : 044-2756 7131 / 7132 <b><i>Plastic Container Division Dehradun:</i></b> Khasra No. 122, Central Hope Town (Now known as Selakui Industrial Area) Pargana Pachhwa Doon, Dist. Dehradun, Uttarakhand.	
<b>Registrar &amp; Share Transfer Agent</b>	:	<b>Sharex Dynamic (India) Pvt. Ltd.</b> Unit 1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Tel. : 022-2851 5606/2851 5644/2851 6338, Fax : 2851 2885	

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## NOTICE TO THE MEMBERS

Notice is hereby given that the Fifty Sixth 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 Thursday, 29th September, 2016 at 3.00 P.M. to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - (A) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2016 together with the Report of the Board of Directors and the Auditors thereon;
  - (B) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 together with the Report of the Auditors thereon.
2. To declare dividend on Equity.
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 Mrs. Cristina Paula Trigo Alves Zeitz (DIN: 07146615) who retire by rotation and being eligible offers herself for re-appointment,
5. To ratify appointment of Auditors and fix their remuneration.

To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 appointment of M/s. Walker, Chandiook & Co. LLP Chartered Accountants (Firm Registration No. 001076N/N500013), be and is hereby ratified to hold the office as the Statutory Auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration plus service tax and re-imbursment of out of pocket expenses and/or travelling expenses as may be agreed upon between the Board of Directors or any Committee thereof and the Statutory Auditors.”

### SPECIAL BUSINESS:

6. Re-Appointment of Mr. Dhandapani Sothi Selvam (DIN: 07038156) as Director

To consider and if thought 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) Mr. Dhandapani Sothi Selvam (DIN: 07038156), who was appointed as Additional Director, liable to retire by rotation, pursuant to Section 161(1) of the Companies Act, 2013 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 Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.

7. Re-Appointment of Mrs. Manjusha Bhatnagar (DIN: 07059799) as Director

To consider and if thought 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) Mrs. Manjusha Bhatnagar (DIN: 07059799), who was appointed as Additional Director, liable to retire by rotation, pursuant to Section 161(1) of the Companies Act, 2013 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 Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.

8. Extension of terms of appointment of Mr. Mohan Menon (DIN: 02838483) as Managing Director and payment of remuneration.

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, modification or re-enactment thereof), and subject to approval from Central Government, if necessary, the Consent of the Members of the Company be and is hereby accorded for ratification of extension of terms of appointment of Mr. Mohan Menon (DIN: 02838483) as Managing Director by three month with effect from January 1, 2016 and terms and conditions including payment of remuneration approved by the Board of Directors (Board for this purpose shall include Nomination and Remuneration Committee of the Board) more particularly set out in the statement annexed to this notice and accepted by Mr. Mohan Menon within the limits specified under Schedule V to the Companies Act, 2013 or any amendments thereof:

“RESOLVED FURTHER THAT in the event of absence or in adequacy of profit during the tenure of his appointment (including extension thereof) the remuneration as agreed between the Company and the Managing Director shall be considered as minimum remuneration payable to the Managing Director”.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps

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as may be necessary, proper and expedient to give effect to this resolution”.

9. Appointment of SHAREX DYNAMIC (INDIA) PVT LTD as Registrar and Share Transfer Agent

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

“RESOLVED THAT pursuant to the provisions of Section 88, 94 and other applicable provisions, if any, of Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession to all the earlier resolutions passed in this regard, the approval of the members be and is hereby accorded to shift and maintain the Registers and Index of

Members, as required to be maintained under Section 88 and copies of Annual Return filed under Section 92 of the Companies Act, 2013, at the office of SHAREX DYNAMIC (INDIA) PVT LTD, Registrar and Transfer Agent of the Company, situated at Unit-1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072 or at such other places where the Registrar and Transfer Agent may shift from time to time, effective from August 1, 2016.

By Order of the Board of Directors

For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai,

Dated : August 3, 2016.

**Rajesh Juthani**

*Company Secretary*



**EXPLANATORY STATEMENT [Pursuant to section 102 of the Companies Act, 2013 (“the Act”)]**

**Item No. 5**

M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) were appointed as the Statutory Auditors of the Company for a period of three years at the Adjourned Annual General Meeting (AGM) of the Company held on September 9, 2015. As per the provisions of Section 139(1) of the Companies Act, 2013, their appointment for above tenure is subject to ratification by member at every AGM. Accordingly ratification of the members is being sought for the proposal contained in the Resolution set out at item no. 5 of the Notice. The Board recommends the Resolution at item no. 5 for approval by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP's are concerned or interested in the Resolution at item no. 5 of the accompanying Notice.

**Note: This explanatory statement is provided through strictly not required as per Section 102 of the Companies Act, 2013**

**Item No. 6 & 7**

Pursuant to the provisions in Articles of Association of the Company, the Board of Directors of the Company at their meeting held on September 2, 2015 has appointed Mr. Dhandapani Sothi Selvam as Additional Director with effect from September 2, 2015, subject to retirement by rotation, pursuant to change of nomination by Promoter Company.

Similarly Board of Directors has passed a circular resolution on April 30, 2016 (subsequently confirmed at Board Meeting held on May 13, 2016) appointing Mrs. Manjusha Bhatnagar as Additional Director with effect from May 1, 2016, subject to retirement by rotation, pursuant to change of nomination by Promoter Company.

Pursuant to Section 161(1) of the Companies Act, 2013, Mr. Dhandapani Sothi Selvam and Mrs. Manjusha Bhatnagar hold office up to the date of this Annual General Meeting. The Company has received a notice under Section 160(1) of the Companies Act, 2013 in writing along with requisite fees from member, proposing their candidature for the office of Director.

Mr. Dhandapani Sothi Selvam and Mrs. Manjusha Bhatnagar may be deemed to be concerned or interested in the Resolution as it relates to their appointment. None of the other Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP's of the Company are concerned or interested in the resolution.

The Board recommends the resolutions set out at item no. 6 and 7 for approval by the members.

**Item No. 8**

The Members of the Company at Adjourned Annual General Meeting held on September 9, 2015 had approved subject to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, modification or re-enactment thereof), and approval from Central Government, if necessary, the extension of terms of appointment of Mr. Mohan Menon as Managing Director for the period up to December 31,

2015 with an authority to the Board of Directors (including Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of appointment/re-appointment and revision in remuneration effective April 1, 2015.

The Board of Directors of the Company at their meeting held on December 9, 2015 based on recommendation of Nomination and Remuneration Committee extended the terms of appointment of Mr. Mohan Menon as Managing Director by further period of 3 (three) months effective January 1, 2016 i.e. up to March 31, 2016 and approved revision in basic monthly remuneration payable to Mr. Mohan Menon as Managing Director from Rs. 200,000/- to Rs. 225,000/- effective April 1, 2015 till December 31, 2015 and for extended period up to March 31, 2016 within the limits specified under Section-II, Part-II of the Schedule-V of the Companies Act, 2013 and subject to ratification by the Members at forthcoming Annual General Meeting.

It is therefore proposed to seek the member's approval for ratification of extension of terms of appointment and remuneration payable/paid to Mr. Mohan Menon as Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of extension and remuneration payable to Mr. Mohan Menon are as under:

Basic Monthly Salary:

Rs. 225,000/- with effect from April 1, 2015 to March 31, 2016.

**Allowances & Perquisites:**

1. Free unfurnished residential accommodation. Where no accommodation is provided by the Company, house rent allowance @45% of salary in lieu thereof will be paid. The expenses on gas and electricity expenses shall be borne by the company at actual, subject to annual ceiling of Rs. 60,000/- (Rupees Sixty Thousand only).
2. An Air-conditioned Car with driver for official purpose subject to monthly recovery towards personal use of the car as per Company's Policy.
3. Reimbursement of domiciliary medical expenses at actual for self, spouse and two dependent children as per policy of the Company.
4. Reimbursement of Insurance premium for Family Floater Medical Insurance policy for self, spouse and two dependent children up to max of Rs. 500,000 or as per Company's Policy.
5. Leave travel assistance in the form of one month's salary per annum.
6. Club membership fees including entrance fees (for maximum two clubs).
7. Reimbursement of premium for personal accident insurance for the self subject to premium not exceeding Rs. 6,000 per annum.
8. Contribution to Provident Fund and Superannuation or annuity fund not exceeding 27% of the salary.
9. Gratuity at the rate of 15 days' salary for every completed

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year of service and proportionate period thereof subject to upper ceiling as per Payment of Gratuity Act, 1972.

10. Encashment of Privilege and Sick Leave in accordance with the rules of the Company

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 any rules made there under or any statutory modification(s) or re-enactment thereof; and in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

The Company's contribution to provident fund, superannuation fund or annuity fund, to the extent, these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purposes of computation of the overall ceiling of remuneration.

### **Commission:**

In addition to salary, perquisites and allowances as set out above Mr. Mohan Menon shall be entitled to receive remuneration by way of commission @0.05% of the net profits of the Company as determined under the Companies Act, 2013 and shall form part of total managerial remuneration.

### **Reimbursement of expenses:**

Expenses incurred for travelling, boarding and lodging during business trips, provision of chauffeur driven car for use on the Company's business, telephone expenses at residence shall be reimbursed at actual and shall not considered as perquisites.

### **Minimum Remuneration:**

In the event of absence or inadequacy of net profit in any financial year the remuneration as mentioned above shall be the minimum remuneration subject to limits specified under Section-II, Part-II of the Schedule-V of the Companies Act, 2013.

### **Post Retirement Benefits:**

In addition to above payments, Mr. Mohan Menon will be eligible for following post retirement benefits:

- I. Re-settlement Compensation of 5 month's salary.
- II. Travel expenses for self and family by Air/1st AC by Train from Mumbai to home town, if incurred.
- III. Expenses for transfer of personal household effects including packing, transport, transit insurance, local octroi, un-packing etc., from Mumbai to home town, if incurred.
- IV. Provision of accommodation or payment of HRA in lieu of accommodation, provide car with driver and telephone expenses for period not exceeding 5 months.
- V. Sale of Fixed assets procured under Company's FES Scheme as per Company's policy.

### **General:**

The overall managerial remuneration payable every year to the Managing director and the whole time Directors by way of salary, perquisites, allowances, incentives/bonus/commission etc. shall not exceed in aggregate eleven percent of the net profits of the Company as computed in the manner laid down in Section 198 of

the Companies Act, 2013 or any modification(s) or re-enactment thereof.

The Managing Director shall perform duties, manage, attend to the business and carry out and comply with the orders and directions given by the Board from time to time.

The Managing Director shall adhere to the Confidentiality clause and Company's Code of Business Conduct and Ethics for Directors.

The office of the Managing Director may be terminated by either party by giving to the other party three months' notice.

If at any time the Managing Director disqualifies or ceases to be director of the Company for any reason/cause whatsoever, he shall vacate office as the Managing Director of the Company

In terms of provisions of Section 196, 197,198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, modification or re-enactment thereof), members are requested to ratify the action of the Board of Directors and approve the extension of terms of appointment and payment of remuneration as specified above.

Save and Except Mr. Mohan Menon and his relatives, to the extent of their shareholding, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution set out at item no. 8 of the Notice.

The Board recommends the Special Resolution set out at item no. 8 of the Notice for approval by the members.

### **Item No. 9**

Sharepro Services (India) Private Limited ("Sharepro") was acting as Registrar and Transfer Agent of the Company since 2003-04. Recently, an investigation was carried out by SEBI which revealed serious and alarming irregularities by Sharepro and its senior management which includes transfer of dividend belonging to rightful shareholders to persons related to the management of Sharepro. Subsequently, SEBI passed an ad interim order against Sharepro on March 22, 2016, restricting the Promoters, Directors, Senior Management and other associated persons mentioned in the said order from accessing the Market. In the said order, SEBI also advised the clients of Sharepro to change their Registrar and Transfer Agent and to conduct thorough Audit of the records and systems of Sharepro for past several years with respect to Dividends paid and securities transferred.

The Board of Directors, vide Circular Resolution passed on May 10, 2016, decided to terminate the Memorandum of Understanding entered into with Sharepro and appointed SHAREX DYNAMIC (INDIA) PVT LTD, who are duly registered with the Securities and Exchange Board of India (SEBI) under SEBI (Registrars to an issue and Share Transfer Agents) Regulations, 1993, as Registrar and Share Transfer Agent of the Company effective from August 1, 2016. In accordance with Section 94 of the Companies Act, 2013 and The Companies (Management and Administration) Rules, 2014, the Register and Index of Members under Section 88 and copies of Annual Return filed under Section 92, shall be kept and maintained at the Registered Office of the Company unless a Special Resolution is passed in a general





meeting authorizing keeping the registers at any other place in which more than one tenth of the total number of members resides. The Board recommends keeping of Register and Index of Members and copies of Annual Return at the office of SHAREX DYNAMIC (INDIA) PVT LTD at their office situated at Unit-1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072 or at such other places where the Registrar and Transfer Agent may shift from time to time, effective from August 1, 2016.

The Board recommends the passing of resolution as set out at item no. 9 as a Special Resolution.

None of Directors, Key Managerial Personnel and/or their relatives, are interested and/or concerned in passing of the said resolution.

#### NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto. The relevant details of Directors seeking appointment/ re-appointment under item nos. 3, 4, 6 and 7 is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy in order to be effective must be received at the Company's registered office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc., must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organizations. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total shares capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is sent herewith.**
3. The Register of Member and Share Transfer Books of the Company will remain closed from Friday, September 23, 2016 to Thursday, September 29, 2016 (both days inclusive).
4. Dividend on Equity Shares as recommended by the Board, if approved at the Annual General Meeting, will be paid on or before October 28, 2016, in respect of shares held in physical form to all those members whose names are on the Company's Register of Members as at close of business hours on September 22, 2016 and in respect of shares held in electronic form, the dividend will be paid to the beneficial owners of the shares as per details furnished by the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 22, 2016.
5. Members are requested to notify any change in their address, bank details, e-mail ID etc. to their respective Depository Participants (DPs) in respect of shares held in electronic form and to the Registrar and Share Transfer Agent of the Company M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., in respect of shares held in physical form, quoting their folio numbers.
6. As per the provisions of Section 72 of the Companies Act, 2013 facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., for shares held in physical form and from DPs in case of shares held in electronic form.
7. Members who have not registered their e-mail address so far with the depository or Registrar and Share Transfer Agent are requested to register the same for receiving all communication including notices, annual report in electronic mode.
8. Members are requested to avail the facility of receiving dividend through NEFT/NECS by registering their bank details with Company's Registrar and Share Transfer Agents M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., for shares held in physical form and with DPs in case of shares held in electronic form to avoid loss in transit or fraudulent encashment.
9. Members holding shares in physical form are requested to consider converting their shareholding in electronic form to eliminate the risks associated with physical shares like fraudulent transfer and loss in transit.
10. Pursuant to the provisions Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, is required to be transferred to the Investor Education and Protection Fund ("the Fund") of the Central Government and no payments shall be made in respect of any such claims by the Fund or the Company. Unpaid/ Unclaimed dividend for and up to the financial year ended on March 31, 2008 have been transferred to the fund. Company did not recommend any dividend for financial year 2008-09. **Unclaimed Dividend for the financial year 2009-10 will be due for transfer to the fund by October 31, 2017.**
11. Members who have either not received or en-cashed dividend warrant(s) for the financial year 2009-10, 2011-12, 2012-13, 2013-14 and 2014-15 are requested to send their warrant(s) for revalidation immediately or send claim either to the Company or Registrar and Share Transfer Agent M/s. SHAREX DYNAMIC (INDIA) PRIVATE LTD., at above mentioned address. The details of unpaid/unclaimed dividend is uploaded on the website of IEPF-www.iepf.gov.in and on the website of the Company – www.blvindia.com
12. Electronic copy of the Annual Report is being sent to all those Members whose e-mails are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. Members desiring any information with respect to Accounts are requested to write to the Company at least ten days before the date of the meeting to enable the Management to keep the information ready at the meeting.

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14. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the meeting.
15. Members are requested to kindly bring their copy of Annual Report.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules framed there under the Members are provided with the facility to cast their vote electronically, through the e-voting service provided by Central Depository Services (India) Limited (CDSL). On all the resolutions set forth in this Notice. Ballot form is also sent to the shareholders who desire to vote in physical form.

The facility for voting either through electronic voting system or through ballot shall be made available at the venue of the 56th AGM. The Members attending the Meeting, who have not cast their vote through remote e-voting/Ballot Form shall be able to exercise their voting rights at the AGM. The Members who have already cast their vote through remote e-voting/Ballot Form may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

In terms of the requirements of the Companies act, 2013 and the relevant Rules, the Company has fixed September 22, 2016 as the "Cut-off" date. The remote E-Voting/ voting rights of the shareholders/beneficial owners shall be reckoned on the Equity shares held by them as on "Cut-off" date i.e. September 22, 2016.

#### The procedure and instructions for e-voting are as under:

In case of members receiving e-mail:

- (a) Long on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (b) Click on "Shareholders" tab.
- (c) Now select the "Balmer Lawrie Van Leer Limited" from the drop down menu and click on "SUBMIT".
- (d) Now enter your user ID  
For CDSL: 16 digits beneficiary ID,  
For NSDL: 8 Character DP ID followed by 8 digits Client ID  
Members holding shares in physical form should enter folio number registered with the Company
- (e) Next enter the Image verification as displayed and click on Login.
- (f) 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 e-voting of any Company, then your existing password is to be used.
- (g) If you are a first time user follow the steps given below:

**PAN** Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both Demat shareholders and physical shareholder)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of their Demat Account Number/Folio No. as the case may be, in the PAN field.
- In case the Folio No. is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example if your name is Vinay Kumar with Folio No. 1 then enter VI00000001 in the PAN Field.

**Date of Birth (DOB) or Date of Incorporation** Enter the Date of Birth (DOB) as recorded in your Demat Account or in the Company's records for the said Demat Account in dd/mm/yyyy format or enter Folio No.

**Dividend Bank Details** Enter the Dividend Bank Details as recorded in your Demat Account or in the Company's records for the said Demat Account or Folio No. Please enter any one of the details i.e. DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company or Depository Participant please enter the number of shares held in the Dividend Bank Details.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) 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 password in the new password filed. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on EVSN for the relevant "Balmer Lawrie-Van Leer Limited" on which you choose to vote.
- (l) On the voting page, you will see "ESOLUTIONS 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.

- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you clicking on "Click here to print" option on the Voting page.
- (q) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Note for Institutional shareholders:
  - Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - 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)
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts 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.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in the PDF format in the system for the scrutinizer to verify the same.

**IMPORTANT NOTES:**

The e-voting period commences on Monday, September 26, 2016 (from 9.00 A.M.) and ends on Wednesday, September 28, 2016 (at 5.00 P.M.). During this period, Members of the Company

holding shares either in physical form or in Dematerialized form, as on close of business hours of September 22, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Members, he shall not be allowed to change it subsequently.

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

The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on September 22, 2016.

Mr. N.L. Bhatia, a Practicing Company Secretary (Membership No. FCS 1176) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of voting at the AGM count the votes cast at the AGM and thereafter, unblock the votes through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make his consolidated Report of the votes cast in favour or against, if any, within 2 days from the conclusion of the AGM, to the chairman of the Company.

Members who do not have access to e-voting may send duly completed Ballot Form so as to reach to the Scrutinizer appointed by the Board of Directors of the Company, M/s. N.L. Bhatia (Membership No. FCC 1176), C/o. SHAREX DYNAMIC (INDIA) PRIVATE LTD., Unit-1, Luthra Industrial remises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072, not later than Wednesday, September 28, 2016 (before 5.00 P.M.)

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both means, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The result along with the Scrutinizer's Report shall be placed on the Company's website [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 result is declared by the Company.

By Order of the Board of Directors

For **Balmer Lawrie-Van Leer Limited**

Place : Mumbai,  
Dated : August 3, 2016.

**Rajesh Juthani**  
*Company Secretary*

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Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of the Director	Mr. Prabal Basu	Mrs. Cristina Paula Trigo Alves Zeitz
Din No.	06414341	07146615
Date of Birth	October 18, 1963	April 24, 1975
Date of first Appointment on the Board of the Company	January 1, 2015	April 2, 2015
Date of Appointment/last Re-appointment at the AGM	September 9, 2015	September 9, 2015
Qualification	B.Com, ACA, ACS, ACMA	Graduate in Foreign Trade and Business Administration
Experience (in no. of Years)	25	19
Expertise in specific functional areas	Finance, Accounts, Taxation and General Management	International Trade and Strategic Sourcing
Details of shares held in Co.	Nil	Nil
Directorship is held other Companies*	Balmer Lawrie & Co. Ltd., Balmer Lawrie (UK) Ltd., Visakhapatnam Port Logistic Park Ltd, Balmer Lawrie (UAE) LLC	Nil
Membership/Chairmanship of Committees** across public Companies	Balmer Lawrie Van-Leer Ltd. – Audit Committee – Stake Holders Relationship Committee – Corporate Social Responsible Committee	Nil

Name of the Director	Mr. Dhandapani Sothi Selvam	Mrs. Manjusha Bhatnagar
Din No.	07038156	07059799
Date of Birth	31.07.1960	24.01.1958
Date of first Appointment on the Board of the Company	September 2, 2015	May 1, 2016
Date of Appointment/last Re-appointment at the AGM	Appointment sought at forthcoming AGM	Appointment sought at forthcoming AGM
Qualification	Graduate in Chemical Engineering, MBA (Marketing), PG Diploma in Journalism and Mass Communication	Bachelor of Science, MBA (Personnel)
Experience (in no. of Years)	30 Years	36 Years
Expertise in specific functional areas	Manufacturing, Marketing, Business Process Re-engineering, Supply chain Management, Technical services etc.,	Human resources-planning, training, development, recruitment, retention, HR Strategy and succession planning
Details of shares held in Co.	Nil	Nil
Directorship is held other Companies*	Balmer Lawrie & Co. Ltd., PT Balmer Lawrie Indonesia, Balmer Lawrie UAE LLC. Proseal Closures Limited	Balmer Lawrie & Co. Ltd.,
Membership/Chairmanship of Committees** across public Companies	Balmer Lawrie & Co. Ltd. – Audit Committee Balmer Lawrie Van-Leer Ltd. – Stake Holders Relationship Committee – Corporate Social Responsible Committee	Balmer Lawrie & Co. Ltd. (Chairman-CSR Committee)

\* Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act are not considered.

\*\* Includes Audit Committee, Stake Holders Relationship Committee and Corporate Social Responsibility Committee.



## DIRECTOR'S REPORT FOR THE FINANCIAL YEAR 2015-16

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

We are pleased to present 56th Annual Report of your Company along with the Audited Financial Statements and the Auditor's Report for the Financial Year ended March 31, 2016.

### FINANCIAL HIGHLIGHTS:

	STANDALONE		CONSOLIDATED	
	2015-16 In Rs. Lac	2014-15 In Rs. Lac	2015-16 In Rs. Lac	2014-15 In Rs. Lac
Net Sales/income	<b>26,862.90</b>	27,698.62	<b>37,273.62</b>	38,404.51
Operating and Other Expenditure	<b>25,222.08</b>	25,944.33	<b>33,375.61</b>	34,371.77
Operating Profit	<b>1,640.82</b>	1,754.29	<b>3,898.01</b>	4,032.74
Add: Other Income	<b>797.56</b>	160.95	<b>611.71</b>	281.00
Profit before Interest, Depreciation and Taxes	<b>2,438.38</b>	1,915.24	<b>4,509.72</b>	4,313.74
Less: Finance Cost	<b>412.14</b>	465.62	<b>1,371.97</b>	1,410.99
Less: Depreciation	<b>553.26</b>	658.45	<b>1,430.15</b>	1,624.98
Profit Before Tax	<b>1,472.98</b>	791.17	<b>1,707.60</b>	1,277.77
Less: Provision of Tax – Current Year	<b>363.00</b>	299.00	<b>744.08</b>	707.81
Less: Provision of Tax – Earlier Years			<b>147.60</b>	—
Less: Deferred Tax Charge	<b>9.04</b>	(31.65)	<b>25.50</b>	28.18
Profit After Tax	<b>1,100.94</b>	523.82	<b>790.42</b>	598.14
Add: Balance brought forward from previous year	<b>3,866.83</b>	3,816.68	<b>(614.09)</b>	(660.18)
Net Amount available for Appropriation	<b>4,967.77</b>	4,340.50	<b>176.33</b>	(62.04)
Less: Transfer to General Reserves	<b>83.00</b>	39.50	<b>83.00</b>	39.50
Less: Proposed Dividend and Tax thereon	<b>576.13</b>	434.17	<b>576.13</b>	512.55
Balance C/f. to Balance Sheet	<b>4,308.64</b>	3,866.83	<b>(482.80)</b>	(614.09)

### PERFORMANCE OVERVIEW:

The highlights of the Company's Performance during current year vis-à-vis previous year are as under:

- Net Sales/Revenue decreased by 3% (From Rs. 27,698.62 Lac to Rs. 26,862.90 Lac)
- Other Income increased by 395% (From Rs. 160.95 Lac to Rs. 797.56 Lac)
- Operating Profit (PBIDT) decreased by 6% (From Rs. 1,754.29 Lac to Rs. 1,640.82 Lac)
- Profit before Tax increased by 86% (From Rs. 791.17 Lac to Rs. 1,472.98 Lac)
- Profit after Tax increased by 110% (From Rs. 523.82 Lac to Rs. 1,100.94 Lac)

Considering the prevailing economic situation and difficult market conditions, overall performance of the Company was satisfactory and in line with the industry performance. The Company could satisfactorily manage its' operation, maintain market share by retaining most of its customers and satisfying their organic growth. Although there was improvement in production and sales in physical term, the net sales income was marginally lower due to lower raw material cost impacting selling price.

Other Income during current year was higher as compared to previous year mainly due to write back of unsecured loan of Rs. 262.50 Lac and receipt of Dividend amounting Rs. 385 Lac. (Previous year Rs. Nil) Further due to re-assessment of the residual life of plant and machinery as per the requirement of the Companies Act, 2013 during previous financial year, the depreciation during current year was lower by Rs. 105.19 Lac as compared to previous year.

### STEEL DRUM CLOSURE DIVISION – MUMBAI

While domestic demand sustained at last year's level, there was sharp drop in exports due to global economic slowdown. However stable steel and other raw material prices, depreciation of Rupee versus USD and improvement in operating efficiencies helped the Division in maintaining margins and improving the overall earnings. The Division achieved net sales of Rs.6,190.69 Lac and Profit before Tax of Rs. 592.71 Lac as against Rs. 7,169.29 Lac and Rs. 436.74 Lac respectively achieved in the previous year.

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## **PLASTIC CONTAINER DIVISION – MUMBAI**

Demand for Company's products remained buoyant throughout the year. However the performance was partially impacted on account of high priced inventory carried over from last quarter of previous year, stoppages due to breakdown of some critical equipments and frequent disruption in power supplies. Addition of new customers, better sales realization, strict control on procurement costs of imported polymers and overhead costs however, helped the Company to post better profitability. The Division achieved net sales of Rs.14,007.48 Lac and Profit before Tax of Rs. 849.00 Lac as against Rs. 14,576.24 Lac and Rs. 398.70 Lac respectively achieved in the previous year.

## **PLASTIC CONTAINER DIVISION – CHENNAI**

Return of normalcy in power situation and removal of restriction on power usage partially helped the Division to cut down on fuel cost, improve the productivity and contain the operating cost. Increased sales of Valerex 200L and small Blow moulded drums helped the division to regain some of the lost customers. However severe competition and lower selling prices by competitors kept pressure on margins. High priced inventory of imported polymers carried over from last quarter of the previous year had negative impact on margins. The Division achieved higher net sales of Rs.3,243.96 Lac as against Rs. 3,177.23 Lac in the previous year which resulted in reduced loss of Rs.110.47 Lac during 2015-16 as compared to loss of Rs. 152.17 Lac in the previous year. Company has focused on converting more and more customers to 200L Valerex drums to further consolidate its position and improve the performance in future.

## **PLASTIC CONTAINER DIVISION – DEHRADUN**

Improvement in production and sales continued in all product ranges and the Division could establish products in market and consolidate its position further by adding new customers with uninterrupted supplies and service level. The Division achieved net sales of Rs.3,420.77 Lac and Profit before Tax of Rs.141.74 Lac as against Rs. 2,775.86 Lac and Rs. 107.90 Lac respectively achieved in the previous year.

## **DIVIDEND**

The Board of Directors has recommended a dividend of 30% or Rs. 3.00 per Equity share of Rs. 10/- each for the financial year ended March 31, 2016 (Previous Year @ Rs. 20% or Rs. 2.00 per Equity Share).

## **AMOUNT CARRIED TO RESERVE**

The Board of Directors has further proposed a transfer of Rs. 83.0 Lac to General Reserve.

## **COMMENTS ON ADVERSE QUALIFICATION, RESERVATION OR ADVERSE REMARKS IN AUDIT REPORT**

### **COMMENTS BY STATUTORY AUDITORS:**

The statutory auditors M/s. Walker Chandio & Co. LLP has qualified their report on Company's Standalone and Consolidated Financial Statements for non-provisioning of interest expenses amounting to Rs. 163.61 Lac 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 to that extent and understatement of current liabilities.

The statutory auditors M/s. Walker Chandio & Co. LLP has further qualified their report on Company's Standalone Financial Statements for non-provisioning for diminution in value of investment amounting to Rs. 1,817.92 Lac held in form of Equity shares of Transafe Service Limited (TSL) despite complete erosion of net worth of TSL as per their audited accounts.

The statutory auditors M/s. Walker Chandio & Co. LLP has further qualified their report on Consolidated Financial Statements for TSL's accumulated losses having exceeded its networth and yet preparing Financial Statements on a going concern basis.

### **BOARD'S RESPONSE:**

The Company had made a strategic investment by acquiring 11,361,999 Equity Shares of TSL in 2009 by availing 100% loan from BL. Subsequent to this investment, TSL has continuously reported losses. Consequent to losses and erosion of net worth, the value of investment held by the Company has also reduced.

However the 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 July 31, 2009 executed between Company as "Borrower" and BL as "Lenders" confirms that erosion in value of investment will have no financial impact on the Company.

A legal opinion was sought and the Company was advised that as per the clause 1.3 of the Loan Agreement the loan availed by the Company from BL is a non recourse loan and therefore there will be no loan repayment liability on the Company after the expiry of period of 60 months. Validity of the said agreement is further extended up to 96 months from the date of disbursement.

Since the Company did not earn any income from investment and derive tax benefits, Company after written communication to BL, has stopped accruing 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 for interest 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 loan period.

With impetus of Current Government on Infrastructure development and passing of Goods and Service Tax (GST), expected unification of markets and orders on hand/under negotiation, TSL Management is hopeful of turnaround with improvement of Indian economy.

#### **CHANGE IN REGISTRAR AND SHARE TRANSFER AGENT**

The Company has appointed M/s. Sharex Dynamic (India) Private Ltd. (SEBI Registration No. IN000002102) having registered office at Unit No. 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072 as its Registrars & Share Transfer Agents in place of Sharepro Services (India) Private Limited (Sharepro) w.e.f. August 01, 2016 in terms of SEBI's Interim Order dated March 22, 2016 restraining Sharepro, its promoters, directors, some of its employees and other persons from dealing in securities market and associating themselves with the securities market till further orders.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Last year Company acquired remaining 49% Equity shareholding of Proseal Closures Limited (PCL) and has thus become 100% subsidiary of your Company. The subsidiary company has reported Total Revenue of Rs. 7,632.00 Lac and a Profit before tax of Rs. 1,146.59 Lac for the year ended on March 31, 2016 as against Rs. 8,133.96 Lac and Rs. 1,064.77 Lac respectively during 2014-15.

Company holds 11,361,999 Equity shares of Rs. 10 each representing 50% of the total shareholding of Transafe Services Limited (TSL) since September 2009. Balance 50% in TSL is held by Balmer Lawrie & Co. Limited (BL). TSL is thus a Joint venture Company of Your Company and BL. TSL has reported Total Revenue of Rs. 6,521.95 Lac and Net Loss before tax of Rs. 823.49 Lac for the year ended on March 31, 2016 as against Rs. 5,749.56 Lac and Net Loss before tax of Rs. 879.46 Lac respectively during 2014-15.

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

#### **PUBLIC DEPOSITS**

During the financial year under review, the Company did not accept or renewed any fixed deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 (as amended).

#### **UN-CLAIMED DIVIDENDS**

As per the provision of Section 124(5) of the Companies Act, 2013 dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid/unclaimed dividend account is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government under the provisions of Section 125 (1) of the Companies Act, 2013. No claim would lie against the Company after the said transfer.

Accordingly unclaimed dividend amount of Rs. 0.85 Lac in respect of financial year 2007-08 was transferred to IEPF during the year. As on March 31, 2016 dividend, pertaining to past periods, amounting to Rs.16.71 Lac has not been claimed by the shareholders.

The Company has been informing shareholders regularly to lodge their claim for unclaimed dividend, if any.

In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has made the relevant disclosures to the Ministry of Corporate Affairs (MCA) regarding unclaimed dividends. The Company has uploaded the prescribed information on [www.iepf.gov.in](http://www.iepf.gov.in) and [www.blvindia.com](http://www.blvindia.com).

#### **CREDIT RATING:**

ICRA Limited, a rating agency has re-affirmed its rating of banking facilities enjoyed/availed by the Company from various banks to [ICRA]A- (pronounced as ICRA A minus) on the long terms scale and [ICRA]A2+ (pronounced as ICRA A two plus) on the short term scale.

#### **CHANGES IN SHARE CAPITAL**

The Company has not issued any fresh share capital (Equity or Preference) during the year. There is no change in Authorized Share Capital, Issued Capital, Subscribed and Paid-up capital of the Company.

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

During the financial year under review, the Company has given an unsecured loan of Rs. 350 Lac to Proseal Closures Limited a 100% subsidiary, repayable on or before October 31, 2016 with interest @12% per annum.



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The company other than mentioned above, has not granted loans (secured or unsecured), advances or issued guarantees to companies, firms or other parties covered under Section 186 of the Companies Act, 2013. The Company has not made investment during the financial year 2015-16.

## **CONTRACT/ARRANGEMENT WITH RELATED PARTIES**

There are no materially significant related parties transactions entered between the Company, Directors, Management or their relatives except those disclosed in the financial statements which can have potential conflict with the interests of the Company at large.

All the contract/arrangement/transactions entered into by the Company with the related parties during the financial year were in ordinary course of business, commercially negotiated with due consideration to volumes, markets conditions, prices prevailing in those markets and are on an arm's length basis. All these transactions are reviewed by the Audit Committee and approved by the Board.

The details of related party disclosure forms part of the notes to the financial statement provided in the annual report.

A Register of Contract containing details of the transactions with related parties pursuant to Section 189 of the Companies Act, 2013 is placed at the Board meeting regularly for its information and approval.

Disclosure of particulars of contracts/arrangements pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 is annexed herewith as "Annexure-B" and forms part of the Board's Report.

## **DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL ('KMP') APPOINTMENT AND/ OR RESIGNATIONS DURING THE YEAR**

### **I. Appointment**

- During the year Mr. Prabal Basu (DIN: 06414341) who was appointed as Additional Director with effect from January 1, 2015, was appointed as Director liable to retire by rotation at the adjourned Annual General Meeting held on September 9, 2015
- Mr. Srikumar Menon (DIN: 00470254) who was appointed as an Additional Independent Director of the Company with effect from October 1, 2014, was appointed as an Independent Director at the adjourned Annual General Meeting held on September 9, 2015 for a term of 5 (five) years up to the conclusion of 59th Annual General Meeting and is not liable to retire by rotation.
- Mrs. Cristina Paula Trigo Alves Zeitz (DIN: 07146615) who was appointed as Additional Director with effect from April 2, 2015, was appointed as Director liable to retire by rotation at the adjourned Annual General Meeting held on September 9, 2015.
- Mr. Jozef Casparie (DIN: 07168391) who was appointed as an Additional Independent Director of the Company with effect from May 8, 2015, was appointed as an Independent Director at the adjourned Annual General Meeting held on September 9, 2015 for a term of 5 (five) years up to the conclusion of 60th Annual General Meeting and is not liable to retire by rotation.
- Mr. Mohan Menon (DIN: 02838483) was re-appointed as Managing Director of the Company at the adjourned Annual General Meeting held on September 9, 2015 for 12 (Twelve) months effective from January 1, 2015 i.e. up to December 31, 2015. The Board of Directors at their meeting held on December 9, 2015 approved the extension of terms of appointment by a further period of 3 (three) months effective from January 1, 2016 i.e. up to March 31, 2016. Accordingly approval of members is sought at the ensuing Annual General meeting for ratification of extension of terms of appointment and payment of remuneration.
- Mr. Mohan Menon (DIN: 02838483) post retirement as Director and Managing Director of the Company with effect from April 1, 2016 was appointed as "Advisor cum Chief Executive Officer i.e. Key Managerial Personnel ("KMP)". He has relinquished the post of Chief Executive officer with effect from July 6, 2016.
- Mr. Girish Pundalik is appointed as Chief Executive officer of the Company ("KMP") in place of Mr. Mohan Menon effective July 7, 2016.

### **II. Re-appointment**

- Mr. Dhandapani Sothi Selvam (DIN: 07038156) was appointed as an Additional Director (nominee of Balmer Lawrie & Co. Limited) of the Company effective from September 2, 2015 and who shall hold the office up to the date of the ensuing Annual General Meeting. Thereafter subject to member's approval he will be re-appointed as Director liable to retire by rotation.
- Mrs. Manjusha Bhatnagar (DIN: 07059799) was appointed as an Additional Director (nominee of Balmer Lawrie & Co. Limited) of the Company effective from May 1, 2016 and who shall hold the office up to the date of the ensuing Annual General Meeting. Thereafter subject to member's approval she will be re-appointed as Director liable to retire by rotation.

### **III. Retirement**

- Mr. Egbert Jan Boertien (DIN: 01454641) and Mr. Virendra Sinha (DIN: 03113274) retired during the year as Director effective April 2, 2015 and July 31, 2015 pursuant to withdrawal of their nomination by the nominee Company.
- Mr. Mohan Menon, the Director and Managing Director of the Company retired on March 31, 2016.
- Mr. Prabal Basu and Mrs. Cristina Paula Trigo Alves Zeitz, Directors of the Company shall retire by rotation at the ensuing Annual General meeting and are eligible for re-appointment.



- The brief resume of the Directors seeking appointment/ re-appointment in the forthcoming Annual General Meeting is annexed to the Notice.

Details about nature/no. of directorship in other Companies and no. of shares held by directors of your Company as on March 31, 2016 (based on individual declaration received from each Director in Form MBP-1 and DIR-8) is given hereunder:

Name of Director	Category	No. of Directorship in other Companies*	No. of Membership in other Companies**	No. of Shares held in Company
Reinier Hietink	Chairman-NEND	5	—	—
Mohan Menon	MD	1	—	—
Kannan Ananthakrishnan	NEND	—	—	—
Prabal Basu	NEND	4	—	—
Srikumar Menon	NEID	2	—	150
Cristina Zeitz	NEND	—	—	—
Jozef M Casparie	NEID	1	—	—
Dhandapani Sothi Selvam	NEND	4	—	—

MD Managing Director

NEND Non Executive Nominee Director

NEID Non Executive Independent Director

\* Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act are not considered.

\*\* Includes Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.

#### MEETINGS OF THE BOARD/MEMBERS AND DIRECTOR'S ATTENDANCE

During the financial year 2015-16 Board met five times on dates as under:

- May 8, 2015
- July 13, 2015
- September 2, 2015
- December 9, 2015
- March 15, 2016

The Independent Directors met on March 15, 2016 without the presence of Non-Independent Directors and inter-alia evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board of Directors as a whole. Independent Directors discussed about the quality /timeliness of the flow of the information and participation of directors at the meeting.

55th Annual General Meeting as originally scheduled was held on September 2, 2015. However the said meeting was adjourned due to lack of quorum and was re-held on September 9, 2015.

Attendance details are as under:

Name of Director	No. of Board Meeting attended	Attendance at AGM	Attendance at Adjourned AGM
Mr. Reinier Hietink	5	Yes	No
Mr. Mohan Menon	5	Yes	Yes
Mr. Virendra Sinha	2	No	No
Mr. Kannan Ananthakrishnan	5	Yes	No
Mr. Prabal Basu	5	Yes	No
Mr. Srikumar Menon	5	Yes	No
Mrs. Cristina Paula Trigo Alves Zeitz	3	Yes	No
Mr. Jozef Casparie	2	Yes	No
Mr. Dhandapani Sothi Selvam	3	No	Yes

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## **DECLARATION BY DIRECTOR/ INDEPENDENT DIRECTOR**

Directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

The Company has received the necessary declaration from Independent Directors, in accordance with Section 149 (7) of the Companies Act, 1956 that they meet the criteria of independence as laid out in sub section (6) of Section 149 of the Companies Act, 2013.

## **COMPANY'S 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, together continue to hold more than 50% of the Paid-up Equity Share Capital of the Company, each are entitled to nominate one Director each on the Board of the Company from time to time. The Directors so appointed shall not be subject to retirement by rotation and shall hold office until with-drawl of nomination or expiry of terms of appointment.

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. hold 47.91% each in total paid up equity capital of the Company. Both have appointed 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.

Based on the recommendation of Nomination and Remuneration Committee the Board decides on the criterion for the appointment of a new director (other than nominee director) on the Board. The Criterion may include candidate's age, personal attributes, education, expertise area, industry experience, professional background, association with other companies and such other things as may be necessary to discharge board functions effectively. In case of Independent Directors the declaration of independence and other submissions is reviewed by the Board. Independent Directors are not liable to retire by rotation.

Once the criteria are determined, the Nomination and Remuneration Committee compile the profiles of suitable candidates through networking, industry associations and business contacts. The Committee considers each profile on the decided parameters and shortlists the candidate. Shortlisted candidates are then interviewed personally or through tele-conference by the members of the Committee. Once the Committee is convinced about candidate's competency, business acumen, commitments and availability it recommends the candidate to the Board of Directors for consideration for appointment.

### **REMUNERATION:**

The Whole time Director/ Managing Director is paid remuneration by way of monthly salary, benefits, perquisites and allowances (fixed Component) and commission (variable component) @ 0.5% of the net profits after tax of the Company as per Audited Accounts subject to limits specified by the Companies Act, 2013. Remuneration including annual increments are approved by the Board based on the recommendation of the Nomination and Remuneration Committee and is approved by the members and Central Government where ever required. If in any financial year the Company has no profits or its profits are inadequate the Whole time Director/ Managing Director is paid remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the approval of the Central Government.

No sitting fees are paid to Managing Director or any other Non Executive Directors. Independent Directors are paid sitting fees of Rs.10,000/- for attending every Board/ Committee meetings and are not entitled to any remuneration.

### **BOARD EVALUATION**

Pursuant to the Provisions of the Companies Act, 2013, the Board in concurrence with Nomination and Remuneration Committee carried out an evaluation of its own performance, of its Committees and individual Directors. The performance was evaluated by seeking input from all Directors based on certain parameters which were evolved after discussion at Board Meeting.

Broad parameter considered for evaluating the performance of the Board and Committees:

- Size, structure, composition and expertise of the Board/ Committees
- Delegation of responsibilities to various committees
- Effective discharge of functions and duties by the Committee as per terms of reference Effectiveness of Board processes, information and functioning.
- Quality of agenda, discussion and conduct of meeting
- Culture and Dynamics
- Engagement with senior management team



Broad parameter considered for evaluating the performance of the Independent Directors:

- Integrity and confidentiality
- Commitment and participation at the Board and Committee meetings
- Effective deployment of knowledge and expertise
- Exercise of independent judgment in the best interest of the Company
- Interpersonal relationship with other directors and management

Similarly the Directors made self assessment of their effectiveness in terms of attendance, participation, guidance and support extended to the management team.

The feedback received on evaluation was presented at the meeting of the Nomination and Remuneration Committee and Board of Director. The recommendations and suggested areas of improvement were discussed in detail by the Chairman of the Board with Directors.

#### COMMITTEES OF THE BOARD

The Board has constituted following Committees represented by a combination of Executive, Non-Executive, Independent Directors and Company officers.

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Share Transfer Committee

Each Committee is governed by its charter/terms of reference which outlines the scope, roles, responsibilities and powers. Information/data required by the Committee to discuss the matter are circulated in advance. Committee deliberates on the matter assigned/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 all Committee meetings are circulated to the Board for information/noting.

#### AUDIT COMMITTEE

During the year the Committee was re-constituted by the Board of Directors at its meeting held on May 8, 2015.

Audit Committee of the Board as at March 31, 2016 consisted of three Directors viz. Mr. Srikumar Menon (Independent Director), Mr. Jozef M Casparie (Independent Director) and Mr. Prabal Basu (Non Executive Director).

Mr. Srikumar Menon is the Chairman and the Company Secretary is the Secretary of the Committee.

During the Financial Year 2015-16, the Committee met five times on dates as under:

- May 8, 2015
- July 13, 2015
- September 2, 2015
- March 3, 2016
- March 15, 2016.

The attendance details are as under:

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. Reinier Hietink*	5	1
Mr. Mohan Menon*	5	1
Mr. Virendra Sinha*	5	1
Mr. Srikumar Menon	5	5
Mr. Prabal Basu	5	4
Mr. Jozef M Casparie	5	3

\* ceased to be member on re-constitution.

Audit Committee acts in accordance with the terms of reference as specified in section 177(4) of the Companies Act, 2013 and any other matter given in writing by the Board.

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## NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of the Board was constituted at Board Meeting held on March 23, 2012. The Board of Directors at its meeting held on September 5, 2014 re-named this Committee as the 'Nomination and Remuneration Committee' for the purpose of compliance under Section 178 of the Companies Act, 2013. During the year the Committee was re-constituted by the Board of Directors at its meeting held on May 8, 2015.

Nomination and Remuneration Committee ("NRC") of the Board as at March 31, 2016 consisted of four Directors viz., Mr. Reinier Hietink (Non Executive Director), Mr. Prabal Basu (Non Executive Director), and Mr. Srikumar Menon (Independent Director) and Mr. Jozef M Casparie (Independent Director).

Mr. Reinier Hietink is the Chairman and the Company Secretary acts as the Secretary of the Committee.

During the Financial Year 2015-16, the Committee met twice on dates as under:

- December 9, 2015
- March 15, 2016.

The attendance details are as under:

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. Reinier Hietink	2	2
Mr. Prabal Basu	2	2
Mr. Srikumar Menon	2	2
Mr. Jozef M Casparie	2	1

The role of Nomination and Remuneration Committee is to identify eligible and qualified person for Directorship, senior management team, lay down criteria for their selection, formulate compensation policy for Directors, Key Managerial Personnel and other Employees, formulate the criteria for evaluation of Board and Independent Director, evaluate the performance and recommend to the Board regarding appointment, continuation, extension, removal and compensation/increments. The Committee also works with the Board on succession plan.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE & INITIATIVES

In terms of Section 135 of the Companies Act, 2013 and the rules framed there under, the Board of Directors at its meeting held on September 5, 2014 constituted a Corporate Social Responsibility (CSR) Committee. During the year the Committee was re-constituted by the Board of Directors at its meeting held on May 8, 2015 and March 15, 2016.

The Corporate Social Responsibility Committee of the Board as at March 31, 2016 consisted of Mr. Reinier Hietink (Non Executive Director), Mr. Prabal Basu (Non executive Director), Mr. D. Sothi Selvam (Non Executive Director) and Mr. Jozef M Casparie (Independent Director).

Mr. Prabal Basu is the Chairman and the Company Secretary acts as the Secretary of the Committee.

During the financial year 2015-16, the Committee met once on March 15, 2016 and was attended by all Members.

The role of the CSR Committee is to review and monitor the CSR policy, identify the authenticate agency, advice on CSR activities/initiatives to be undertaken, re-recommend the amount to be spent on such activity and devise mechanism for monitoring the implementation.

The Annual Report on CSR Activities which forms part of the Director's Report is annexed as "Annexure-C" to this report.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Shareholders'/ Investors' Grievance Committee of the Board was constituted on October 29, 2001. The Board of Directors at its meeting held on September 5, 2014 re-named this Committee as Stakeholders Relationship Committee for the purpose of compliance under Section 178 (5) of the Companies Act, 2013. During the year, the Committee was re-constituted by the Board of Directors at its meeting held on September 2, 2015 and March 15, 2016.

Stakeholders Relationship Committee ("SRC") of the Board as at March 31, 2016 consisted of Mr. Dhandapani Sothi Selvam (Non-Executive Director), Mr. Prabal Basu (Non Executive Director) and Mr. Rajesh Juthani, as the Secretary.

During the financial year 2015-16, the Committee met four times on dates as under:

- July 13, 2015
- September 2, 2015
- December 8, 2015
- March 3, 2016.





The main role of the Committee is to look into redressal of shareholders'/ investors' grievances such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports etc. In addition to this, the Committee is authorized to issue duplicate share certificates against share certificates reported as lost, torn, mutilated, destroyed, re-materialization, sub-division, consolidation etc. on requests from investor.

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. Virendra Sinha	4	1
Mr. Mohan Menon	4	4
Mr. Dhandapani Sothi Selvam	4	3

#### SHARE TRANSFER COMMITTEE

A Share Transfer Committee was constituted by the Board at its meeting held on October 29, 2001 primarily to approve share transfers. The Committee constitution was unchanged during the year.

Share Transfer Committee as at March 31, 2016 consisted of Mr. Mohan Menon (Managing Director), Mr. Rajesh Juthani (Company Secretary) and Mr. Prashant Mujumdar (Head- Costing & MIS).

During the year the Committee met nine times on dates as under:

- May 6, 2015
- May 13, 2015
- June 10, 2015
- June 24, 2015
- July 1, 2015
- July 8, 2015
- August 19, 2015
- December 5, 2015
- March 23, 2016.

During the year thirteen requests for physical transfers of 1475 Equity Shares were processed.

There were no valid Share Transfers pending as on March 31, 2016.

#### DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls established and maintained by the Company, reviews performed by the Management and Internal Auditors in concurrence with the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on 31st March, 2016.

As required under clause (c) of sub section 3 of section 134 of the Companies Act, 2013, the Board of Directors confirms that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. They have 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 that period;
- III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for detecting fraud and other irregularities;
- IV. They have prepared the annual accounts on a going concern basis;
- V. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- VI. They have 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

Members at adjourned meeting of 55th Annual General Meeting held on September 9, 2015 had approved the appointment of M/s. Walker Chandio & Co. LLP Chartered Accountants, (Firm Registration No. 001076N/ N500013) as Statutory Auditors of the Company for a period of three years i.e. until the conclusion of the 58th Annual General Meeting to be held in 2018. As per the provisions of section 139 (1) of the Companies Act, 2013 the appointment shall be ratified in every annual general meeting. The company has obtained

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from statutory auditors necessary consent and confirmation as required under Section 141 of the Companies Act, 2013 and the Rules made there under.

## **SECRETARIAL AUDITORS**

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 has 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 2015-16. The report did not contain any qualification, reservation or adverse remarks. The Secretarial Audit Report for the Financial Year 2015-16 is annexed to this Report as "Annexure-D".

## **VIGIL MECHANISM POLICY**

The Company has implemented a vigil mechanism, whereby employees, Directors and other stakeholders can report their concerns, generic grievances, misconduct, ethical issues like corruption, fraud, misappropriation of assets and non compliance of code of conduct to the Company. The Policy safeguards the whistle blowers and also provides a direct access to the Chairman of the Audit Committee. During the year under review no case is brought to the notice of the Chairman of the Audit Committee.

The Vigil Mechanism Policy is available on the Company's website at <http://www.blvindia.com>

## **RISK MANAGEMENT POLICY**

The Company has put in place an enterprise wide Risk Management framework. This holistic approach provides the assurance that, the best of its knowledge and capabilities; the Company identifies, assesses, evaluates and takes corrective action to mitigate the risks that could materially impact its performance. The Risk Management Committee and Audit Committee ensures that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business. The Audit Committee periodically reviews the strategic decisions and evaluate Company's portfolio of risks as against the Company's Risk appetite. The Committee recommends change to the Risk Management Technique and/ or associated processes, practices and framework whenever felt necessary.

Some of the risks associated with business of your company and measures taken are below:

Business cyclical risks arising out of deterioration in economic conditions due to change in government policy, change in climatic condition, escalation of geo political tensions or political stability. Board and Management periodically review the situation, weigh the risk and reward ratio and commit the business accordingly.

Company's high dependence on Joint venture partners for sale of drum closures and few big customers in oil & lube, soft drink and spice oil segment in case of plastic drums. In the last few years, your company has increased its sales of steel drum closures to non promoter entities and has also added new customers from other segments in case of plastic drums.

The Company depends on limited supplier for HMHDPE principal raw material for plastic drums. The Company has identified few other sources and has successfully tried out raw materials from these suppliers for some of the application which has helped in reducing dependence on one single supplier.

There has been sizeable capacity addition and price war by both existing players and new entrants into the market. The Company has undertaken initiatives to enhance capacities and reduce operational costs of existing plants by replacing old plants with new high speed efficient plants with latest technology. The Company has also undertaken refurbishment of all major critical equipments.

Company's performance predominantly depends upon the performance of Plastic Division which to large extent gets impacted due to volatile Foreign exchange rates. Company is following the policy of hedging minimum 50% of its net exposure by taking forward cover from banks.

There has been increase in compliance under various acts and statute in last few years and either sustainability can be at stake or can have financial implication for non compliance. Compliance is closely monitored by Internal Auditor and Audit Committee and is also reviewed by the Board.

## **HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

Your Company gives utmost importance to human resource development for successful implementation of business plans. Constant efforts are being made to offer professional growth opportunities and recognitions apart from imparting in house and external training to employees. Employees are encouraged for undergoing need based external training program conducted by industry body/association, educational institutions, professional consultants etc., Company also organizes visits to overseas plants, seminars, trade expo and conference to enhance employee knowledge and general awareness.

During the current year, in-house program were held to provide training to employees inter alia in operation excellence, commercial excellence, functional expertise and improvement of personal attributes.

Industrial relations were cordial at all locations. Negotiation with permanent workmen at Steel Drum Closure, Mumbai for long term settlement is in progress.



Company believes in fair and reasonable compensation in line with its performance and industry trend. Compensation include fixed and variable component linked to KRA score.

Total strength of permanent staff and workmen as at March 31, 2016 was 361.

### **SAFETY HEALTH AND ENVIRONMENT**

Safety, Health and protection of environment are the key focus areas and one of the prime drivers of the Company's operating efficiency. 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 or major accident is analyzed into reasons, corrective actions taken and closely monitored to avoid re-occurrence. The Company organized in house training and regular communications for improving safety at the work place across the organization.

Periodical in-house review by senior management and surveillance audits of ISO 9001 is held by an external agency. The Board reviews the performance against set standard and guides on deficiencies and corrective actions, if any.

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

### **ADEQUACY OF INTERNAL CONTROL SYSTEMS**

The Company has laid down guidelines, policies, procedures and structure commensurate with the size and nature of business for implementation of appropriate internal financial controls and such internal financial controls were adequate and were operating effectively. The internal financial controls covered the policies and procedures adopted by Company to enable and ensure:

- Accuracy of the Accounting records and Adherence to applicable Accounting standards
- Timely preparation and disclosure of financial / operational statements
- 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.

Some of these controls are on manual and/or IT application including ERP. These controls were reviewed by internal auditors and statutory auditors to ensure that such controls are adequate and operating effectively. Recommendations of auditors for improvement are being implemented. Audit Committee at each committee meetings reviews the report of Internal Auditors and monitor action initiated on earlier internal audit recommendations including those relating to strengthening the Company's risk management policies and systems.

The Board reviews quarterly and annual performance reports in comparison with the budget and discuss with management reasons for the variations. Board approves revenue and capital expenditure Budget for all divisions and Company.

### **DISCLOSURES**

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

Mr. Mohan Menon has ceased to be Managing Director with effect from March 31, 2016 and has assumed the responsibility as 'Advisor cum Chief Executive Officer' of the Company effective from April 1, 2016.

Apart from the above there were no material changes and commitments that occurred subsequent to the end of the financial year till the date of this report, which can affect the performance or sustainability of the Company.

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

There has been no change in the nature of business of the Company. Your Company continue to manufacture steel drum Closures and Plastic Containers.

#### **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 significant and material orders are passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

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

Company's Policy on Prevention of Sexual Harassment of Women at Workplace provides for protection to women employees at work place from any misbehavior, misconduct or gender discrimination and also provide for prevention and redressal of complaints.

There were no complaints of any harassment during the financial year 2015-16.

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## **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.**

There are no employees drawing remuneration in excess of Rs.60.00 Lac per annum or Rs.5.00 Lac per month (if employed for a part of the financial year) as on 31st March, 2016.

## **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

## **ACKNOWLEDGEMENT**

The Board appreciates the commitment and contribution made by the employees at all levels towards the growth and sustained success of the Company. Board also thanks all shareholders, customers, vendors, service providers, bankers and other business associates for their continued support and patronage.

For and on behalf of the Board of Directors

**KANNAN ANANTHAKRISHNAN**

*Director*

(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**

*Director*

(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.


**ANNEXURE: A TO THE DIRECTORS' REPORT**
**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**

**(Amounts in Rupees)**

Sl. No.	1
Name of the subsidiary	Proseal Closures Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company i.e. March 31, 2016
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
Share capital	2,200,000
Reserves & surplus	287,990,834
Total assets	740,278,352
Total Liabilities	740,278,352
Investments	—
Turnover (Gross)	778,640,250
Profit before taxation	114,659,461
Provision for taxation (includes deferred tax of Rs. 1,646,000)	39,754,000
Profit after taxation	74,905,461
Proposed Dividend	—
% of shareholding	100%

**Notes:**

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



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

## Part "B": Associates and Joint Ventures

(Amounts in Rupees)

Name of Associates/Joint Ventures	Transafe Services Limited
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2016
2. Shares of Associate / Joint Ventures held by the company on the year end	
No. of shares	11,361,999
Amount of Investment in Associates / Joint Venture	181,791,984
Extend of Holding %	50
3. Description of how there is significant influence	Company has right to appoint equal no. of Directors as other Joint Venture Partner
4. Reason why the Associate / Joint venture is not consolidated	Not Applicable
5. Net Worth attributable to Shareholding as per last audited Balance Sheet as at March 31, 2016	(170,018,076)
6. Profit / Loss for the year	(41,174,563)
<i>i. Considered in Consolidation</i>	(55,779,522)
<i>ii. Not Considered in Consolidation</i>	—

1. Names of associates or joint ventures which are yet to commence operations: **None**
2. 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

**KANNAN ANANTHAKRISHNAN**  
*Director*  
(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**  
*Director*  
(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.



**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 process during the financial year 2015-16.

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. 42 (a) of the Standalone Financial Statements annexed herewith.

(b) Nature of contracts/arrangements/ transactions:

Refer Note No.42 (b) of the Standalone Financial Statements for related party transactions.

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

Transactions are normal business transactions on an ongoing basis.

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

Sale/Purchase of Goods, Components, Services and other transactions as indicated in Note No. 42(b) of the Standalone Financial Statements annexed herewith.

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

- May 8, 2015
- July 13, 2015
- September 2, 2015
- December 9, 2015
- March 15, 2016.

(f) Amount paid as advances, if any:

Nil

For and on behalf of the Board of Directors

**KANNAN ANANTHAKRISHNAN**

*Director*

(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**

*Director*

(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.

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## ANNEXURE: C TO DIRECTORS' REPORT

### 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 a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large. BLVL' CSR Policy is available on the Company's Website: [www.blvlindia.com/policies/CSR-Policy.pdf](http://www.blvlindia.com/policies/CSR-Policy.pdf)

BLVL as a responsible corporate entity is mindful of its social responsibilities and is committed to make a positive contribution in the society. As a responsible corporate entity, BLVL constantly strive for opportunities of growth to meet the expectations of various stakeholders in a socially and environmentally responsible way by pursuing the concept of sustainable development with focus on the following:-

To take up program for the benefit of the communities in vicinity of its units in enhancing the quality of life & economic well being of the local population.

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.

To extend humanitarian services in the community to further enhance the quality of life like health facilities, education, basic infrastructure facilities like water, electricity, roads etc., that have so far not been attended to or made available.

To create community goodwill, through its CSR initiatives and help to reinforce a positive & socially responsible image of BLVL as a corporate entity.

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

- (i) Promoting preventive health care by (a) providing foods, Clothing and sponsoring medicines, assistance towards treatment of poor & needy patients;
- (ii) Promoting Education by (a) providing books and payment of fees for education of under-privileged children and (b) providing funds for renovation of school buildings/classrooms or making available facility of potable water;
- (iii) Empowering women by (a) alleviating their poverty by creating income generation alternatives for women living in urban slums; and (b) Providing Seed Capital Assistance for women's Federation and self-Help Groups in rural area to be used for construction of Sanitation Units and as soft loans for Income Generation activities.
- (iv) Donation to Prime Minister's National Relief fund.

BLVL has decided to carry out CSR activities in the states of Maharashtra, West Bengal, Tamil Nadu and Uttarakhand where the Company has operation.

2. Composition of the CSR Committee: The CSR Committee comprises of Mr. Reinier Hietink as Chairman, Mr. Prabal Basu, Mr. D. Sothi Selvam and Mr. Jozef M Casparie as members.
3. Average net profit of the Company for last three financial years: Rs. 758.08 Lac.
4. Prescribed CSR Expenditure: The Company was required to spend Rs. 15.16 Lac towards CSR.
5. Details of CSR spend for the financial year:
  - (a) Total CSR expense Amount Committed during FY 2015-16: Rs.15.35 Lac
  - (b) Cumulative CSR expense Incurred during FY 2015-16: Rs.15.35 Lac
  - (c) CSR amount Committed as on March 31, 2016 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:  
Total amount donated to The Prime Minister's National Relief Fund
6. Reason for not spending the amount at 5(d): Not Applicable

We state 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

**KANNAN ANANTHAKRISHNAN**

*Director*

(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**

*Director*

(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.

**ANNEXURE: D TO DIRECTOR'S REPORT****FORM MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

*[PURSUANT TO SUB-SECTION (1) OF SECTION 204 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 31,2016 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, 2016 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; **Not applicable**
- (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'):-  
**Not applicable**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing Debt Securities) Regulations, 2008;
  - (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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 w.e.f. December 01, 2015
- (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
  - 4. The Contract Labour (Regulation & Abolition) Act, 1970 & Rules 1971
  - 5. The Payment of Bonus Act, 1965

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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.
- (ii) The Listing Agreements entered into by the Company with BSE limited and National Stock Exchange Limited: **Not applicable**

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.

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.

For **N L Bhatia & Associates**  
**UID NO: S1996MH016600**

Place: Mumbai  
Date: April 30, 2016

**N L Bhatia**  
*(Managing Partner)*  
FCS No.1176 / CP No.422

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.





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**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**Balmer Lawrie-Van Leer Limited.**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices , we followed provide a reasonable basis for our opinion
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **N L Bhatia & Associates**  
**UID NO: S1996MH016600**

**N L Bhatia**  
*(Managing Partner)*  
Membership No.1176 / CP No.422

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## ANNEXURE: E TO DIRECTORS REPORT

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

### I. REGISTRATION AND OTHER DETAILS

CIN No.	U99999MH1962PLC012424
Registration Date	12th February, 1960
Name of the Company	Balmer Lawrie Van Leer Limited
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: rajesh_juthani@ blvlindia.com
Whether Listed or not	De-listed with effect from 4th March, 2008
Registrar and Transfer Agents	<b>SHAREX DYNAMIC (INDIA) PVT. LTD.*</b> Unit-1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai-400 072 Contact Person: Mrs. Darshana Champanekar (Extn. 31) Telephone No: 2851 5606 / 2851 5644 / 2851 6338 Fax No : 2851 2885  * Changed from Sharepro Services (India) Pvt. Ltd. w.e.f. August 1, 2016

### 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. Lac	% of total turnover of the Company
1	Manufacturing of other basic Iron & Steel (Flanges & Plugs-Steel Drum Closures)	24,109	5,482.11	18.45
2	Manufacturing of Plastic articles for packing of goods (Plastic Containers/Liners)	22,203	23,111.54	77.79
	<b>Total</b>		<b>28,593.65</b>	<b>96.24</b>

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

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	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	Proseal Closures Limited, Plot No.51, Road No. 3, Jigani Industrial Area, Anekal Taluk, Bangalore Dist- 562 106	U27100KA1989PLC010148	Subsidiary	100.00	2(87)
4	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)



**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 April 1, 2015)				No. of Shares held at the end of the Year (As on March 31, 2016)				% 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	47.91	7,501,277	1,100,000	8,601,277	47.91	Nil
Foreign	1,067,465	7,533,817	8,601,282	47.91	1,067,465	7,533,817	8,601,282	47.91	Nil
<b>Total - A</b>	<b>8,568,742</b>	<b>8,633,817</b>	<b>17,202,559</b>	<b>95.82</b>	<b>8,568,742</b>	<b>8,633,817</b>	<b>17,202,559</b>	<b>95.82</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>a) Institutions</b>									
Mutual Funds	—	4,850	4,850	0.03	—	4,850	4,850	0.03	Nil
Banks/FI	1,259	1,050	2,309	0.01	1,259	1,050	2,309	0.01	Nil
Central Govt.	—	—	—	—	—	—	—	—	—
State Govt.	—	—	—	—	—	—	—	—	—
Venture Capital Funds	—	—	—	—	—	—	—	—	—
Insurance Cos.	—	—	—	—	—	—	—	—	—
FII's	—	—	—	—	—	—	—	—	—
Foreign Venture Capital	—	—	—	—	—	—	—	—	—
Others	142	—	142	—	92	—	92	0.00	0.00
<b>b) Non-Institutions</b>									
<b>Bodies Corporate</b>									
Indian	11,761	4,401	16,162	0.09	12,975	4,401	17,376	0.10	+0.01
Overseas	0	150	150	0.00	0	150	150	0.00	Nil
<b>Individuals</b>									
Up to Rs. 1 Lac	356,839	369,003	725,984	4.05	361,361	363,317	724,678	4.04	-0.01
Above Rs. 1 Lac	—	—	—	—	—	—	—	—	—
<b>Total - B</b>	<b>370,001</b>	<b>379,454</b>	<b>749,455</b>	<b>4.18</b>	<b>375,687</b>	<b>373,768</b>	<b>749,455</b>	<b>4.18</b>	<b>Nil</b>
<b>C. Share held by Custodian for GDR/ ADR</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total - A+B+C</b>	<b>8,938,743</b>	<b>9,013,271</b>	<b>17,952,014</b>	<b>100.00</b>	<b>8,944,429</b>	<b>9,007,585</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 April 1, 2015)			Shareholding at the end of the year (As on March 31, 2016)			% 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	47.91	Nil	8,601,277	47.91	Nil	Nil
2	Greif International Holding B.V.	8,601,282	47.91	Nil	8,601,282	47.91	Nil	Nil
<b>Total</b>		<b>17,202,559</b>	<b>95.82</b>	<b>Nil</b>	<b>17,202,559</b>	<b>95.82</b>	<b>Nil</b>	<b>Nil</b>

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

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

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## 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 April 1, 2015)		Increase (+)/ Decrease (-)	Cumulative Shareholding during the year 2015-16		Shareholding at the end of the year (As on March 31, 2016)	
		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	Surendra Chhajjer	8,900	0.0496		8,900	0.0496	8,900	0.0496
2	Pheroze K Mistry	7,150	0.0398	Nil	7,150	0.0398	7,150	0.0398
3	Naveen Bothra	5,000	0.0279	Nil	5,000	0.0279	5,000	0.0279
4	Kanta Chhajjer	3,722	0.0207	+1000	4,722	0.0263	4,722	0.0263
5	Jayesh B Salot	4,601	0.0256	Nil	4,601	0.0256	4,601	0.0256
6	Darshan P Vohra	4,600	0.0256	Nil	4,600	0.0256	4,600	0.0256
7	Hemant Thakker	4,200	0.0234	Nil	4,200	0.0234	4,200	0.0234
8	Rajesh J Kandhar	4,100	0.0228	Nil	4,100	0.0228	4,100	0.0228
9	Kapil S Gupta	3,860	0.0215	Nil	3,860	0.0215	3,860	0.0215
10	Samir Kedia	3,550	0.0198	Nil	3,550	0.0198	3,550	0.0198
11	Arms Securities Pvt. Ltd.	1,750	0.0097	+2614	4,364	0.0243	4,364	0.0243

## V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of Director / KMP	Shareholding at the beginning of the year (As on April 1, 2015)		Increase (+)/ Decrease (-) during the year	Cumulative Shareholding during the year 2015-16		Shareholding at the end of the year (As on March 31, 2016)	
		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 Reinier Hietink	—	—	—	—	—	—	—
2	Mr. Virendra Sinha	—	—	—	—	—	—	—
3	Mr. Mohan Menon	—	—	—	—	—	—	—
4	Mr. Kannan Ananthkrishnan	—	—	—	—	—	—	—
5	Mr. Egbert J Boertien	—	—	—	—	—	—	—
6	Mr. Prabal Basu	—	—	—	—	—	—	—
7	Mr. Srikumar Menon	150	—	—	150	—	150	—
8	Mrs. Cristina Zeitz	—	—	—	—	—	—	—
9	Mr. Jozef Casparie	—	—	—	—	—	—	—
10	Mr. Dhandapani Sothi Selvam	—	—	—	—	—	—	—
11	Mr. Rajesh Juthani	25	—	—	25	—	25	—
12	Mr. Sanjay Datta	—	—	+75	75	—	75	—



## V. INDEBTEDNESS:

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

	Secured Loan (Excl. Deposit)	Unsecured Loans	Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	503,196,830	85,685,937	—	588,882,767
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	826,614	21,169	—	847,783
<b>Total</b>	<b>504,023,444</b>	<b>85,707,106</b>	<b>—</b>	<b>589,730,550</b>
Changes in Indebtedness during the financial year				
— Additions	72,757,629	126,141,169	—	198,898,798
— Reductions	54,846,483	162,871,169	—	217,717,652
<b>Net Change</b>	<b>17,911,146</b>	<b>(36,730,000)</b>	<b>—</b>	<b>(18,818,854)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	520,632,647	48,977,106	—	569,609,753
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	1,301,943	—	—	1,301,943
<b>Total</b>	<b>521,934,590</b>	<b>48,977,106</b>	<b>—</b>	<b>570,911,696</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director

Sl. No.	Particulars of Remuneration	Total Amount
1	Gross Salary	
	(a) Salary as per the provisions of Section 17(1) of I.T. Act	5,328,100
	(b) Value of Perquisites under Section 17(2) of I.T. Act	753,804
	(c) Profits in lieu of Salary under Section 17(3) of I.T. Act	—
2	Stock Option	—
3	Sweat Equity	—
4	Commission as % of Profit	—
	<b>Total</b>	<b>6,081,904</b>
	<b>Ceiling as per Act</b>	<b>6,085,806</b>

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## B. Remuneration to Other Directors

Sl. No.	Name of Director	Category	Sitting Fees	Commission	Total Amount
1	Mr. Reinier Hietink	Non Executive Director	—	—	—
2	Mr. Virendra Sinha	Non Executive Director	—	—	—
3	Mr. K. Ananthakrishnan	Non Executive Director	—	—	—
4	Mr. Egbert Jan Boertien	Non Executive Director	—	—	—
5	Mr. Anand Dayal	Non Executive Director	—	—	—
6	Mr. S. K. Menon	Independent Director	150,000	—	150,000
7	Mr. Prabal Basu	Non Executive Director	—	—	—
8	Mrs. Cristina Zeitz	Non Executive Director	—	—	—
9	Mr. Jozef M Casparie	Independent Director	50,000	—	50,000
10	Mr. D Sothi Selvam	Non Executive Director	—	—	—
<b>Total Managerial Remuneration</b>			<b>200,000</b>	<b>—</b>	<b>6,281,904</b>
<b>Overall Ceiling as per Act</b>					<b>6,285,806</b>

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

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	2,549,707	2,597,014	5,146,721
	(b) Value of Perquisites u/s 17(2) of I.T. Act	79,155	51,971	131,126
	(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</b>		<b>2,628,862</b>	<b>2,648,985</b>	<b>5,277,847</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

**KANNAN ANANTHAKRISHNAN**  
Director  
(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**  
Director  
(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.





## ANNEXURE: F TO DIRECTORS REPORT

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

(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 March 31, 2016)

<b>Power and Fuel Consumption</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>Electricity – Purchased</b>		
In Units	21,575,740	20,368,230
Total Amount (in Rs.)	154,729,300	145,614,470
Rate per Unit (in Rs.)	7.17	7.14
<b>Electricity – Captive Generation</b>		
HSD Consumed (in Liter)	84,186	146,241
Total cost of HSD (in Rs.)	4,293,119	8,399,854
Units Generated (in Units)	328,871	528,422
Units per Liter	3.906	3.613
Cost per Liter (In Rs.)	51.00	57.43
Generation Cost, Rate per Unit	13.05	15.90

### ENERGY CONSERVATION MEASURES TAKEN, ENERGY SAVED AND INVESTMENT MADE:

Replaced normal motors with energy efficient IE-2 class motors in Press line (savings: 7680 units per annum; investment: Rs. 1.2 Lac)

Replaced conventional thyristor controlled rectifiers with IGBT inverter based rectifiers in Plating Plant (savings: 1Lac units per annum; investment: Rs.55 Lac)

Replaced incandescent lamp with LED lamp in flange and plug lines (savings: 6060 units per annum; investment: Rs. 0.80 Lac)

### TECHNOLOGY UPGRADATION AND ABSORPTION

The Company continues to upgrade technology with input and assistance from Greif and its associate companies. As part of green initiative and offering better product the Company changed plating process from CR-6 to CR-3 which is less polluting and environment friendly.

Installed indigenously developed fully automatic high speed washing machine with vision system for automatic gasket fitting, inspection and packing of drum closures.

Replaced old Injection Moulders with latest high speed energy efficient Moulders in Plastic Division.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

	<b>2015-2016</b>	<b>2014-2015</b>
	<b>In Rs. Lac</b>	<b>In Rs. Lac</b>
Revenue from Exports	3,048.02	4,053.53
Expenditure/Imports	13,104.06	13,023.27

For and on behalf of the Board of Directors

**KANNAN ANANTHAKRISHNAN**

*Director*

(DIN: 05281184)

**DHANDAPANI SOTHI SELVAM**

*Director*

(DIN: 07038156)

Place: Mumbai

Dated: August 3, 2016.

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## Independent Auditor's Report

To the Members of Balmer Lawrie-Van Leer Limited

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

1. We have audited the accompanying standalone financial statements of Balmer Lawrie - Van Leer Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

### BASIS FOR QUALIFIED OPINION

8. (a) As stated in Note 40 to the standalone financial statements, the Company has not accrued interest aggregating Rs. 16,361,279 (Previous year Rs. 16,361,279) 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 31 March 2016 would have been lower by Rs. 10,698,967 (Previous year: Rs. 11,052,862), other current liabilities as at 31 March 2016 would have been higher by Rs. 94,895,417 (Previous year: Rs. 78,534,138) and the reserves and surplus as at that date would have been lower by Rs. 92,505,361 (Previous year: Rs. 76,497,977). Further, interest expense amounting to Rs. 81,806,394 (Previous year: Rs. 65,445,115) would have been classified as a prior period item. Our audit opinion on the financial statements for the year ended 31 March 2015 was also qualified in respect of this matter.
- (b) As stated in Note 40 to the standalone financial statements, non-current investments, as at 31 March 2016, held by the Company, include an investment amounting to Rs. 181,791,984 in its 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 31 March 2015 was also qualified in respect of this matter.

### QUALIFIED OPINION

9. In our opinion and to the best of our information and according to the explanations given to us, except for the effect/possible effect of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. 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 A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- (b) except for the effects of matter described in paragraph 8(a) and possible effects of the matter described in paragraph 8(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 standalone financial statements dealt with by this report are in agreement with the books of account;
- (d) except for the effects of matter described in paragraph 8(a) and possible effects of the matter described in paragraph 8(b) in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- (e) the matters described in paragraphs 8(a) and 8(b), under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) on the basis of the written representations received from the directors as at 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
- (h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of

31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 19 May 2016 as per Annexure B expressed an unmodified opinion.

- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. as detailed in Note 22 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**per Bharat Shetty**  
*Partner*  
Membership No.: 106815

Place: Hubballi  
Date: 19 May, 2016

# 56th Annual Report 2015 - 2016

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## Annexure A 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 31 March 2016

### Annexure A

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 'fixed assets') 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 granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (b) the schedule of repayment of principal and payment of interest has been stipulated and the principal amount is not due for repayment currently however, the receipt of the interest is regular;
  - (c) there is no overdue amount in respect of loans granted to such companies, firms, LLPs or other parties.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (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, 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.
- (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 (Rupees)	Amount paid under protest (Rupees)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	6,067,869	2,000,000	Financial year 2008-09	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Non submission of forms, interest and other matters	765,925	383,000	Financial year 2006-07	Joint Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income tax	142,158	—	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
		2,790,482	—	Assessment year 2011-12	Commissioner of Income Tax (Appeals)
		19,820,261	—	Assessment year 2012-13	Commissioner of Income Tax (Appeals)
		7,340,814	—	Assessment year 2013-14	Commissioner of Income Tax (Appeals)

- (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 provided 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 standalone financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid 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**  
 (Formerly Walker, Chandiook & Co)  
*Chartered Accountants*  
 Firm's Registration No.: 001076N/N500013

**per Bharat Shetty**  
*Partner*  
 Membership No.: 106815

Place: Hubballi  
 Date: 19 May, 2016

# 56th Annual Report 2015 - 2016

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Annexure B to the Independent Auditor's Report of even date to the members of Balmer Lawrie-Van Leer Limited, on the standalone financial statements for the year ended 31 March 2016

## Annexure B

**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 standalone financial statements of Balmer Lawrie - Van Leer Limited (the "Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

### **MANAGEMENT'S RESPONSIBILITY 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 31 March 2016, 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**  
(Formerly Walker, Chandiook & Co)  
*Chartered Accountants*  
Firm's Registration No.: 001076N/N500013

**per Bharat Shetty**  
*Partner*  
Membership No.: 106815

Place: Hubballi  
Date: 19 May, 2016



# 56th Annual Report 2015 - 2016

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	2	179,634,140	179,634,140
Reserves and Surplus	3	797,487,846	745,006,266
		<u>977,121,986</u>	<u>924,640,406</u>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	215,299,391	236,476,956
Deferred Tax Liabilities (Net)	5	27,192,129	26,287,876
Long-Term Provisions	6	38,671,748	32,266,658
		<u>281,163,268</u>	<u>295,031,490</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	337,519,778	328,422,923
Trade payables – outstanding dues to micro and small enterprises	8	14,894,011	15,155,796
Trade payables – outstanding dues to other than micro and small enterprises	8	303,115,529	242,748,559
Other Current Liabilities	9	162,123,229	135,377,376
Short-Term Provisions	10	99,933,783	63,621,131
		<u>917,586,330</u>	<u>785,325,785</u>
<b>TOTAL</b>		<u><b>2,175,871,584</b></u>	<u><b>2,004,997,681</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	11	670,725,834	587,282,637
Intangible Assets	12	431,571	50
Capital Work-in-Progress		38,672,763	46,178,810
Non-Current Investments	13	444,291,837	444,291,837
Long-Term Loans and Advances	14	43,937,454	39,397,384
Other Non-Current Assets	15	300,561	10,000
		<u>1,198,360,020</u>	<u>1,117,160,718</u>
<b>Current Assets</b>			
Inventories	16	344,526,837	322,925,708
Trade Receivables	17	442,975,066	406,377,823
Cash and Bank Balances	18	20,969,263	29,103,543
Short-Term Loans and Advances	19	160,079,421	125,895,608
Other Current Assets	20	8,960,977	3,534,281
		<u>977,511,564</u>	<u>887,836,963</u>
<b>TOTAL</b>		<u><b>2,175,871,584</b></u>	<u><b>2,004,997,681</b></u>

Significant accounting policies and other explanatory information

1 to 50

As per our report of even date attached.

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Hubballi, 19 May, 2016

For and on behalf of the Board of Directors

**Reinier Hietink**  
**Prabal Basu**  
**Kannan Ananthakrishnan**  
**Srikumar Menon**  
**Dhandapani Sothi Selvam**  
**Jozef Casparie**  
**Manjusha Bhatnagar**

*Directors*

**Sanjay Datta**

*Chief Financial Officer*

**Rajesh Juthani**

*Company Secretary*

Mumbai, 13 May, 2016



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

	Note	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>REVENUE</b>			
Revenue from Operations (Gross)	23	2,971,080,842	3,052,346,095
Less: Excise Duty		284,790,355	282,483,965
Revenue from Operations (Net)		2,686,290,487	2,769,862,130
Other Income	24	79,756,341	16,095,179
<b>TOTAL REVENUE</b>		<b>2,766,046,828</b>	<b>2,785,957,309</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	25	1,791,099,567	1,956,875,037
Changes in Inventories of Finished Goods and Work-in-Progress	26	9,425,054	4,743,580
Employee Benefits Expense	27	242,222,536	207,765,025
Finance Costs	28	41,213,695	46,562,127
Depreciation and Amortisation Expense	29	55,326,302	65,844,938
Other Expenses	30	479,461,341	425,049,400
<b>TOTAL EXPENSES</b>		<b>2,618,748,495</b>	<b>2,706,840,107</b>
<b>Profit Before Tax</b>		<b>147,298,333</b>	<b>79,117,202</b>
<b>Tax Expense</b>			
Current tax (Refer Note 41)		36,300,000	29,900,000
Deferred Tax Charge / (Credit)		904,252	(3,164,491)
<b>Net Profit</b>		<b>110,094,081</b>	<b>52,381,693</b>
<b>Earnings Per Equity Share</b>			
Basic and Diluted	31	6.13	2.92
Significant accounting policies and other explanatory information	1 to 50		

As per our report of even date attached.

For **Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Hubballi, 19 May, 2016

For and on behalf of the Board of Directors

Reinier Hietink  
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Kannan Ananthakrishnan  
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Dhandapani Sothi Selvam  
Jozef Casparie  
Manjusha Bhatnagar

Directors

**Sanjay Datta**

*Chief Financial Officer*

**Rajesh Juthani**

*Company Secretary*

Mumbai, 13 May, 2016

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## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	147,298,333	79,117,202
<b>Adjustments for:</b>		
Depreciation	55,326,302	65,844,938
(Profit)/ Loss on sale of tangible assets (net)	(1,123,487)	—
Interest income	(4,660,324)	(2,600,586)
Dividend Income on Investment in Subsidiary	(38,500,000)	—
Finance costs	41,213,695	46,562,127
Bad debts/ Advances written off	1,616,699	460,098
Provision for Doubtful Debts	2,168,621	—
Provision for indirect taxes (Refer Note 44)	3,438,936	1,157,687
Liabilities no longer required written back	(34,325,953)	(3,616,892)
Unrealised foreign exchange loss/(gain)	(1,189,979)	(861,616)
Operating profit before working capital changes	<u>171,262,843</u>	<u>186,062,958</u>
<b>Changes in working capital:</b>		
Increase / (Decrease) in provisions, trade payables and other current liabilities	125,041,039	(38,481,577)
(Increase) / Decrease in trade receivables	(41,484,738)	7,451,223
(Increase) / Decrease in inventories	(21,601,129)	(51,543,018)
(Increase) / Decrease in loans and advances and other current assets	<u>(40,123,334)</u>	<u>19,941,023</u>
Operating profit after working capital changes	<u>193,094,681</u>	<u>123,430,609</u>
Direct taxes paid (net of refund)	<u>(27,546,901)</u>	<u>(35,718,550)</u>
<b>Net cash generated from operating activities (A)</b>	<u>165,547,780</u>	<u>87,712,059</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including capital work-in-progress)	(149,700,752)	(54,871,671)
Sale of fixed assets	2,496,251	51,649
Fixed deposits matured/ (placed)	(782,525)	(3,894,548)
Interest received	4,660,324	2,600,586
Dividend received on Investment in Subsidiary	38,500,000	—
<b>Net cash used in investing activities (B)</b>	<u>(104,826,702)</u>	<u>(56,113,984)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (including dividend distribution tax thereon)	(35,904,028)	(25,203,551)
Capital subsidy received	—	3,000,000
Repayment of long-term borrowings	(22,119,869)	(25,006,381)
Proceeds from long-term borrowings	20,000,000	31,232,088
Finance costs paid	(40,759,535)	(46,237,914)
Proceeds from short-term borrowings (net)	9,096,855	22,624,946
<b>Net cash used in financing activities (C)</b>	<u>(69,686,577)</u>	<u>(39,590,812)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<u>(8,965,499)</u>	<u>(7,992,737)</u>
Cash and cash equivalents at the beginning of the year	<u>23,876,865</u>	<u>31,869,602</u>
Cash and cash equivalents at the end of the year	<u>14,911,366</u>	<u>23,876,865</u>
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	137,720	134,172
Cheques on Hand	3,742,239	9,299,542
Bank Balances:		
In Current Accounts	<u>11,031,407</u>	<u>14,443,151</u>
<b>Cash and cash equivalents as per Note 18 to the financial statements</b>	<u>14,911,366</u>	<u>23,876,865</u>

- Notes:**
- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard – 3 on "Cash Flow Statements" notified under Section 133 to the Companies Act, 2013.
  - Figures in brackets indicate cash outgo.
  - Previous year's figures have been regrouped/ rearranged wherever necessary.

As per our report of even date attached.

For **Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Hubballi, 19 May, 2016

For and on behalf of the Board of Directors

**Reinier Hietink**  
**Prabal Basu**  
**Kannan Ananthakrishnan**  
**Srikumar Menon**  
**Dhandapani Sothi Selvam**  
**Jozef Casparie**  
**Manjusha Bhatnagar**

*Directors*

**Sanjay Datta**

*Chief Financial Officer*

**Rajesh Juthani**

*Company Secretary*

Mumbai, 13 May, 2016



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

### NOTE 1: Summary of Significant Accounting Policies

#### 1.1 Basis of accounting and preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with Rule 7 of the Companies (Accounts) Rules, 2014 and Section 133 of the Companies Act, 2013 (the "Act"). All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non current classification of assets and liabilities.

The preparation of financial statements in conformity with GAAP requires that the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, provision for inventory obsolescence, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

#### 1.2 Fixed Assets (including Capital Work-in-Progress)

##### (a) Tangible assets

Tangible Assets are stated at cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition, net of cenvat credit, 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 tangible assets 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 tangible assets 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 tangible assets 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.

##### (b) Intangible Assets

Intangible Assets are stated at acquisition cost, net of cenvat 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.

##### (c) Capital Work-in-Progress

Assets acquired but not ready for use are classified under Capital work-in-progress.

#### 1.3 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 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.

#### 1.4 Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) 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 groups of assets, is considered as

# 56th Annual Report 2015 - 2016

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

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.

### 1.5 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments; such reduction being determined and made for each investment individually.

### 1.6 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 or net realisable value, whichever is lower. 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.

### 1.7 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.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing foreign currency asset/ liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

### 1.8 Revenue Recognition

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates and sales taxes.

Export incentives are recognised when the right to receive the benefit is established.

### 1.9 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable.

Management and marketing fees are recognised on the basis of rendering of services.

Dividend income is recognised when the right to receive dividend is established.

### 1.10 Employee Benefits

#### Defined Contribution Plan

The Company has Defined Contribution Plan for post employment benefit namely Provident Fund, Superannuation Fund and Employee's State Insurance Plan (ESIC) which is 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.

#### Defined Benefit Plan

The Company has Defined Benefit Plan comprising of Gratuity Fund. 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.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

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 and are recognised immediately in the Statement of Profit and Loss 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. 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.

### 1.11 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments 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. Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

### 1.12 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.

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.

### 1.13 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

### 1.14 Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to their present value.

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.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 2: SHARE CAPITAL</b>		
<b>Authorised</b>		
18,500,000 (Previous Year: 18,500,000) Equity Shares of Rs. 10 each	<b>185,000,000</b>	185,000,000
<b>Issued</b>		
17,974,814 (Previous Year: 17,974,814) Equity Shares of Rs. 10 each	<b>179,748,140</b>	179,748,140
<b>Subscribed and Paid up</b>		
17,952,014 (Previous Year: 17,952,014) Equity Shares of Rs. 10 each fully paid up	<b>179,520,140</b>	179,520,140
Add: Forfeited Equity Shares [22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid-up Rs. 5 each)]	<b>114,000</b>	114,000
	<b><u>179,634,140</u></b>	<b><u>179,634,140</u></b>

### (a) Reconciliation of Share Capital

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Balance as at the beginning of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,748,140
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,748,140
<b>Subscribed and Paid up (including forfeited equity shares)</b>				
Balance as at the beginning of the year	<b>17,974,814</b>	<b>179,634,140</b>	17,974,814	179,634,140
Add: Shares subscribed during the year	—	—	—	—
Balance as at the end of the year	<b>17,974,814</b>	<b>179,634,140</b>	17,974,814	179,634,140

### (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.

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

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
<b>Equity Shares</b>				
Balmer Lawrie and Company Limited	<b>8,601,277</b>	<b>47.91%</b>	8,601,277	47.91%
Greif International Holding B.V.	<b>8,601,282</b>	<b>47.91%</b>	8,601,282	47.91%





**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 3 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as at the beginning of the year	3,720,125	720,125
Add: Addition made during the year	—	3,000,000
Balance as at the end of the year	<u>3,720,125</u>	<u>3,720,125</u>
<b>Securities Premium</b>		
Balance as at the beginning of the year	321,762,975	321,762,975
Add: Addition made during the year	—	—
Balance as at the end of the year	<u>321,762,975</u>	<u>321,762,975</u>
[Securities Premium includes Rs. 171,000 (Previous Year: Rs. 171,000) originally paid up on 22,800 (Previous Year: 22,800) equity shares forfeited]		
<b>General Reserve</b>		
Balance as at the beginning of the year	32,840,480	28,890,480
Add: Transferred from Surplus in Statement of Profit and Loss	8,300,000	3,950,000
Balance as at the end of the year	<u>41,140,480</u>	<u>32,840,480</u>
<b>Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	386,682,686	381,667,939
Profit for the year	110,094,081	52,381,693
Appropriations:		
Proposed Dividend	(53,856,042)	(35,904,028)
Dividend Distribution Tax on Proposed Dividend*	(3,756,459)	(7,512,918)
Transferred to General Reserve	(8,300,000)	(3,950,000)
Balance as at the end of the year	<u>430,864,266</u>	<u>386,682,686</u>
<b>Total</b>	<u>797,487,846</u>	<u>745,006,266</u>

\* Net of reversal of Dividend Distribution Tax on Proposed Dividend related to previous year amounting to Rs. 7,512,918.

**NOTE 4 : LONG-TERM BORROWINGS**

	Non-Current		Current Maturities	
	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>Secured</b>				
Term Loan from Banks:				
HSBC Bank	31,428,572	22,857,144	11,428,571	18,660,937
Kotak Mahindra Bank	—	4,666,667	4,666,667	4,666,667
Loan from Balmer Lawrie & Co. Ltd.	181,791,984	181,791,984	—	—
Vehicle Loans from Bank / Financial Institution	2,078,835	911,161	695,346	655,284
	<u>215,299,391</u>	210,226,956	<u>16,790,584</u>	23,982,888
<b>Unsecured</b>				
Loan from Greif International Holding B.V.	—	26,250,000	—	—
	—	26,250,000	—	—
<b>Total</b>	<u>215,299,391</u>	236,476,956	<u>16,790,584</u>	23,982,888

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

(a) Nature of security and terms of repayment for secured borrowings	
<p><b>Nature of Security</b></p> <p>(i) Term Loans from HSBC Bank are secured by first charge over movable plant and equipment of the Steel Drum Closures Division for Rs.45,000,000 and equitable mortgage of leasehold land (95 years lease), Mumbai along with immovable plant and equipment.</p> <p>(ii) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets 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 charge 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 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) Vehicle Loans from Bank and Financial Institution are secured by hypothecation of vehicles purchased against the loan.</p>	<p><b>Terms of repayment</b></p> <p>(a) Loan of Rs. 20,000,000 with outstanding amount of Rs. 14,285,714, repayable in 5 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.75% per annum.</p> <p>(b) Loan of Rs. 10,000,000 with outstanding amount of Rs. 8,571,429, repayable in 6 equal half yearly installments of Rs. 1,428,574 from the reporting date carrying interest of 11.75% per annum.</p> <p>(c) Loan of Rs. 20,000,000 with outstanding amount of Rs. 20,000,000, repayable in 7 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.25% per annum.</p> <p>Loan of Rs. 14,000,000 with outstanding amount of Rs. 4,666,667 repayable in 12 equal monthly installments of Rs. 388,889 from the reporting date carrying interest of 12% per annum.</p> <p>Repayable within 96 months from the date of disbursement of first installment (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. 16,361,279 (Previous year Rs. 16,361,279). (Refer Note 40)</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 9.65% to 10.15% per annum</p>

#### NOTE 5 : DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Deferred Tax Liabilities:		
Depreciation	50,948,696	41,110,282
Deferred Tax Assets:		
Provision for Doubtful Debts, Advances and Deposits	2,609,730	1,743,013
Provision for Indirect Taxes	6,846,145	5,302,498
Provision for Employee Benefits	14,300,692	7,776,895
	<b>27,192,129</b>	26,287,876



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 6 : LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits		
Provision for Compensated Absences	18,889,776	15,923,622
Other Provisions (Refer Note 44)		
Provision for Indirect Taxes	19,781,972	16,343,036
	<u>38,671,748</u>	<u>32,266,658</u>
<b>NOTE 7 : SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Cash Credit/ Packing Credit	288,542,672	238,986,986
Term Loan from Bank	—	30,000,000
<b>Unsecured</b>		
Overdraft with Bank	48,977,106	59,435,937
	<u>337,519,778</u>	<u>328,422,923</u>
(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) Overdraft from Bank is supported by Corporate Guarantee issued by Greif Inc.		
<b>NOTE 8 : TRADE PAYABLES</b>		
Dues to micro and small enterprises (Refer Note 47)	14,894,011	15,155,796
Dues to others	303,115,529	242,748,559
	<u>318,009,540</u>	<u>257,904,355</u>
<b>NOTE 9 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Borrowings (Refer Note 4)	16,790,584	23,982,888
Interest Accrued but not due on Borrowings	1,301,943	847,783
Unpaid Dividends (Refer Note below)	1,671,385	1,332,130
Deposits Received	11,964,159	10,112,635
Advance from Customers	11,773,352	5,152,701
Employee Benefits Payable	33,730,431	15,637,087
Statutory Dues (including Provident Fund and Tax Deducted at Source)	21,184,494	18,705,524
Payable for Fixed Assets	2,955,392	15,561,162
Outstanding Expenses	54,953,508	41,820,466
Forward Contract Payable	3,572,981	—
Others	2,225,000	2,225,000
	<u>162,123,229</u>	<u>135,377,376</u>
There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.		
<b>NOTE 10 : SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits (Refer Note 39 (b))		
Provision for Gratuity	10,598,513	6,905,112
Provision for Compensated Absences	3,298,416	1,140,737
Provision for Income Tax [Net of Advance Tax Rs. 147,255,692 (Previous Year: Rs. 119,708,791)]	20,911,435	12,158,336
Other Provisions:		
Provision for Proposed Dividend	53,856,042	35,904,028
Provision for Dividend Distribution Tax on Proposed Dividend	11,269,377	7,512,918
	<u>99,933,783</u>	<u>63,621,131</u>

**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 11 : TANGIBLE ASSETS**

Gross block	(Amount in Rupees)									
	Freehold	Leasehold Land	Buildings Land	Plant and	Furniture equipment	Vehicles and fixtures	Computers	Office	Enabling equipment	Total assets
Balance as at April 01, 2014	41,030,824	139,949,950	170,142,225	1,064,906,743	21,252,033	5,980,582	10,772,699	4,259,340	2,127,362	1,460,421,758
Additions/Adjustments	—	—	—	29,038,684	529,197	1,904,683	1,073,300	2,860,440	—	35,406,304
Deletions/Adjustments	—	—	—	—	(211,149)	—	(90,600)	—	—	(301,749)
<b>Balance as at March 31, 2015</b>	<b>41,030,824</b>	<b>139,949,950</b>	<b>170,142,225</b>	<b>1,093,945,427</b>	<b>21,570,081</b>	<b>7,885,265</b>	<b>11,755,399</b>	<b>7,119,780</b>	<b>2,127,362</b>	<b>1,495,526,313</b>
Additions/Adjustments	—	—	15,940,037	118,287,607	1,160,609	1,531,087	1,883,226	1,330,777	—	140,133,343
Deletions/Adjustments	—	—	—	(5,094,434)	(19,500)	(2,533,306)	(349,110)	—	—	(7,996,350)
<b>Balance as at March 31, 2016</b>	<b>41,030,824</b>	<b>139,949,950</b>	<b>186,082,262</b>	<b>1,207,138,600</b>	<b>22,711,190</b>	<b>6,863,046</b>	<b>13,289,515</b>	<b>8,450,557</b>	<b>2,127,362</b>	<b>1,627,663,306</b>
<b>Accumulated depreciation and amortisation</b>										
<b>Balance as at April 01, 2014</b>	—	11,231,163	58,476,182	742,392,347	16,022,166	3,500,626	7,627,484	2,192,266	2,127,362	843,569,596
Depreciation charge	—	1,841,860	7,884,450	48,541,610	1,054,992	1,941,969	2,282,431	1,376,868	—	64,924,180
Deletions/Adjustments	—	—	—	—	(171,163)	—	(78,937)	—	—	(250,100)
<b>Balance as at March 31, 2015</b>	—	<b>13,073,023</b>	<b>66,360,632</b>	<b>790,933,957</b>	<b>16,905,995</b>	<b>5,442,595</b>	<b>9,830,978</b>	<b>3,569,134</b>	<b>2,127,362</b>	<b>908,243,676</b>
Depreciation charge	—	1,846,910	8,112,750	41,086,878	1,126,631	698,425	1,567,682	878,106	—	55,317,382
Deletions/Adjustments	—	—	—	(3,895,050)	(19,500)	(2,359,956)	(349,080)	—	—	(6,623,586)
<b>Balance as at March 31, 2016</b>	—	<b>14,919,933</b>	<b>74,473,382</b>	<b>828,125,785</b>	<b>18,013,126</b>	<b>3,781,064</b>	<b>11,049,580</b>	<b>4,447,240</b>	<b>2,127,362</b>	<b>956,937,472</b>
<b>Net block</b>										
Balance as at March 31, 2015	41,030,824	126,876,927	103,781,593	303,011,470	4,664,086	2,442,670	1,924,421	3,550,646	—	587,282,637
<b>Balance as at March 31, 2016</b>	<b>41,030,824</b>	<b>125,030,017</b>	<b>111,608,880</b>	<b>379,012,815</b>	<b>4,698,064</b>	<b>3,101,982</b>	<b>2,239,935</b>	<b>4,003,317</b>	—	<b>670,725,834</b>

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

**NOTE 12 : INTANGIBLE ASSETS**

Gross block	(Amount in Rupees)	
	Computer Software	Total
Balance as at April 01, 2014	5,398,056	5,398,056
Additions/Adjustments	—	—
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2015</b>	<b>5,398,056</b>	<b>5,398,056</b>
Additions/Adjustments	440,441	440,441
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2016</b>	<b>5,838,497</b>	<b>5,838,497</b>
<b>Accumulated depreciation and amortisation</b>		
<b>Balance as at April 01, 2014</b>	4,477,248	4,477,248
Depreciation charge	920,758	920,758
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2015</b>	<b>5,398,006</b>	<b>5,398,006</b>
Depreciation charge	8,920	8,920
Deletions/Adjustments	—	—
<b>Balance as at March 31, 2016</b>	<b>5,406,926</b>	<b>5,406,926</b>
<b>Net block</b>		
Balance as at March 31, 2015	50	50
<b>Balance as at March 31, 2016</b>	<b>431,571</b>	<b>431,571</b>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**NOTE 13 : NON-CURRENT INVESTMENTS**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>Trade Investments in Equity Instruments – Unquoted, at Cost</b>		
(a) Investment in Subsidiary: 2,200 (Previous Year: 2,200) Equity Shares in Proseal Closures Limited of Rs. 1,000 each, fully paid up	<b>262,499,853</b>	262,499,853
(b) Investment in Joint Venture: 11,361,999 (Previous Year: 11,361,999) Equity Shares in Transafe Services Limited of Rs. 10 each, fully paid up (Refer Note 40)	<b>181,791,984</b>	181,791,984
	<b>444,291,837</b>	444,291,837

**NOTE 14 : LONG-TERM LOANS AND ADVANCES**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Capital Advances	<b>16,622,509</b>	12,595,264
Security Deposits		
Considered Good	<b>17,446,658</b>	15,001,839
Considered Doubtful	<b>681,671</b>	681,671
Less: Provision for Doubtful Deposits	<b>(681,671)</b>	(681,671)
Other Loans and Advances:		
Balances with Government Authorities	<b>8,295,768</b>	7,654,822
Prepaid Expenses	<b>669,371</b>	970,114
Others – Considered Good	<b>903,148</b>	3,175,345
Others – Considered Doubtful	—	1,368,325
Less: Provision for Doubtful Loans and Advances	—	(1,368,325)
	<b>43,937,454</b>	39,397,384

**NOTE 15: OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Bank Deposit with maturity more than 12 months	<b>300,561</b>	10,000
	<b>300,561</b>	10,000

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

#### NOTE 16: INVENTORIES

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Stores and Spares	58,310,503	52,966,079
Raw Materials [Includes in Transit Rs. 32,851,233 (Previous Year: Rs. Nil)]	166,797,751	141,013,228
Packing Materials	2,613,010	2,715,774
Work-in-Progress	50,103,880	57,480,151
Finished Goods	66,701,693	68,750,476
	<b>344,526,837</b>	<b>322,925,708</b>
<b>Details of Inventory</b>		
(i) Work-in-Progress		
Flanges	6,148,091	6,383,319
Plugs	8,105,331	9,660,294
Plastic Containers/ Liners	35,050,614	40,005,300
Others	799,844	1,431,238
	<b>50,103,880</b>	<b>57,480,151</b>
(ii) Finished Goods		
Flanges	16,247,560	25,687,225
Plugs	14,086,307	6,106,992
Plastic Containers/ Liners	32,844,592	32,073,372
Others	3,523,234	4,882,887
	<b>66,701,693</b>	<b>68,750,476</b>

#### NOTE 17: TRADE RECEIVABLES (UNSECURED)

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	235,560	3,840,564
Considered Doubtful	5,490,834	3,322,213
Less: Provision for Doubtful Debts	(5,490,834)	(3,322,213)
Others	442,739,506	402,537,259
	<b>442,975,066</b>	<b>406,377,823</b>

#### NOTE 18: CASH AND BANK BALANCES

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>Cash and Cash Equivalents</b>		
Cash on Hand	137,720	134,172
Cheques on Hand	3,742,239	9,299,542
Bank Balances:		
In Current Accounts	11,031,407	14,443,151
	<b>14,911,366</b>	<b>23,876,865</b>
<b>Other Bank Balances</b>		
Bank Deposits with maturity more than 3 months but less than 12 months	4,386,512	3,817,048
Unpaid Dividend Accounts	1,671,385	1,332,130
Balance with Bank held as Margin Money	—	77,500
	<b>6,057,897</b>	<b>5,226,678</b>
<b>Total</b>	<b>20,969,263</b>	<b>29,103,543</b>


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**
**NOTE 19: SHORT-TERM LOANS AND ADVANCES**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Recoverable from Related Parties	1,196,792	9,584,672
Loan given to Subsidiary	35,000,000	—
Security Deposits	4,561,948	7,027,968
Advance to Suppliers	13,397,890	8,940,948
Other Loans and Advances:		
Balances with Government Authorities	99,905,062	91,275,489
Prepaid Expenses	3,629,057	3,760,090
Others – Considered Good	2,388,672	5,306,441
Others – Considered Doubtful	1,368,325	—
Less: Provision for Doubtful Loans and Advances	(1,368,325)	—
	<b>160,079,421</b>	<b>125,895,608</b>

**NOTE 20: OTHER CURRENT ASSETS**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Duty Entitlement Pass Book (DEPB) Licenses on Hand	—	914,255
Duty Drawback	755,355	2,620,026
Receivable under Merchandise Exports from India Scheme (MEIS)	8,205,622	—
	<b>8,960,977</b>	<b>3,534,281</b>

**NOTE 21: CAPITAL COMMITMENTS**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Estimated value of contracts in capital account remaining to be executed [Net of advances of Rs. 16,622,509 (Previous Year: Rs.12,595,264)]	37,768,604	31,903,704
	<b>37,768,604</b>	<b>31,903,704</b>

**NOTE 22: CONTINGENT LIABILITIES**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
(a) Sales Tax Liability that may arise in respect of matters in appeal	6,833,794	6,067,869
(b) Income Tax Liability that may arise in respect of matters in appeal	32,288,020	2,976,890
(c) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	6,660,053	5,902,675

**Notes:**

- The Company does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practical to estimate the timing of cash outflows, if any, in respect of matters (a) and (b) above, pending resolution/completion of the appellate proceedings/other proceedings, as applicable.



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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

#### NOTE 23: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Sale of Products:		
Finished Goods	2,903,870,129	2,957,661,676
Other Operating Revenue:		
Scrap Sales	53,639,101	88,245,104
Income from Duty Drawback / MEIS	13,571,612	6,439,315
	<b>2,971,080,842</b>	<b>3,052,346,095</b>
<b>Details of Sales (Finished Goods)</b>		
Flanges	316,051,876	367,196,263
Plugs	232,159,104	258,661,693
Plastic Containers/ Liners	2,311,154,268	2,290,687,299
Others	44,504,881	41,116,421
	<b>2,903,870,129</b>	<b>2,957,661,676</b>

#### NOTE 24: OTHER INCOME

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Interest Income on		
Fixed Deposits with Banks	372,255	303,905
Others	4,288,069	2,296,681
Dividend Income on Investment in Subsidiary	38,500,000	—
Management and Marketing Fees from Subsidiary	—	9,877,701
Profit on Sale of Fixed Assets (Net)	1,123,487	—
Liabilities no Longer Required Written Back	34,325,953	3,616,892
Miscellaneous Income	1,146,577	—
	<b>79,756,341</b>	<b>16,095,179</b>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**NOTE 25: COST OF MATERIALS CONSUMED**

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>Raw Material Consumed</b> (Refer Note 32 (a))		
Opening Inventory	141,013,228	91,058,392
Add: Purchases	1,794,983,119	1,983,881,192
Less: Closing Inventory	166,797,751	141,013,228
	<b>1,769,198,596</b>	1,933,926,356
<b>Packing Material Consumed</b> (Refer Note 32 (a))		
Opening Inventory	2,715,774	891,629
Add: Purchases	21,798,207	24,772,826
Less: Closing Inventory	2,613,010	2,715,774
	<b>21,900,971</b>	22,948,681
	<b>1,791,099,567</b>	1,956,875,037

**NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>(Increase)/Decrease in Inventory</b>		
Closing Inventory:		
Work-In-Progress	50,103,880	57,480,151
Finished Goods	66,701,693	68,750,476
	<b>116,805,573</b>	126,230,627
Opening Inventory:		
Work-In-Progress	57,480,151	69,318,900
Finished Goods	68,750,476	61,655,307
	<b>126,230,627</b>	130,974,207
	<b>9,425,054</b>	4,743,580

**NOTE 27: EMPLOYEE BENEFITS EXPENSE**

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Salaries, Wages and Bonus (Refer Note 39 (c))	202,413,474	171,173,170
Contribution to Provident and Other Funds (Refer Note 39 (a) and (b))	21,340,155	19,486,930
Staff Welfare Expenses	18,468,907	17,104,925
	<b>242,222,536</b>	207,765,025

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

#### NOTE 28: FINANCE COSTS

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Interest on Borrowings		
— From Banks	40,639,198	42,098,120
— From Others	133,143	2,432,322
Other Borrowing Costs	441,354	2,031,685
	<b>41,213,695</b>	46,562,127

#### NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Depreciation on Tangible Assets	55,317,382	64,924,180
Amortisation on Intangible Assets	8,920	920,758
	<b>55,326,302</b>	65,844,938

#### NOTE 30: OTHER EXPENSES

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Consumption of Stores and Spare Parts (Refer Note 32 (b))	88,079,218	73,490,588
Excise duty (Refer Note 37)	24,433	657,382
Power, Fuel and Water Charges	162,612,745	158,558,959
Screen Printing Charges	20,182,304	17,567,056
Repairs and Maintenance:		
Plant and Equipment	16,235,915	11,725,239
Buildings	5,138,475	8,976,908
Others	857,256	673,731
Rent (Refer Note 45)	1,422,342	3,311,245
Rates and Taxes	11,780,637	5,416,339
Bank Charges	2,865,602	5,024,168
Insurance	2,482,352	2,109,606
Communication Charges	1,851,698	1,674,979
Printing and Stationery	1,605,597	1,195,432
System and Software Expenses	2,530,930	3,205,839
Travelling, Conveyance and Car Expenses	22,564,150	17,149,351
Security and Safety Expenses	6,631,475	6,410,122
Legal, Professional and Secretarial Expenses (Refer Note 36)	22,405,028	8,460,233
Corporate Social Responsibility Expenses (Refer Note 38 (a))	1,535,000	—
Freight and Transportation Expenses [net of recovery of Rs. 64,618,508 (Previous Year: Rs. 61,292,254)]	63,509,162	62,573,176
Commission on Sales	16,000,324	18,687,197
Loss on Foreign Exchange (Net)	9,678,160	7,571,567
Provision for Doubtful Debts	2,168,621	—
Bad Debts/Advances Written Off	1,616,699	460,098
Miscellaneous Expenses	15,683,218	10,150,185
	<b>479,461,341</b>	425,049,400



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**NOTE 31: COMPUTATION OF EARNINGS PER SHARE (BASIC AND DILUTED)**

The amount considered in ascertaining the Company's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
I. Profit Computation for both Basic and Diluted Earnings per share: Net Profit available for equity shareholders (in Rs.)	110,094,081	52,381,693
II. Computation of weighted average number of equity shares: Number of shares for Basic and Diluted earnings per share	17,952,014	17,952,014
III. Earnings Per Share: Basic (in Rs.)	6.13	2.92
Diluted (in Rs.)	6.13	2.92

**NOTE 32: DETAILS OF CONSUMPTION**

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
(a) Details of Raw Materials/ Packing Materials consumed		
Steel	200,258,296	300,621,830
High-density Polyethylene	1,314,062,270	1,307,849,222
Co-polymer Polypropylene	34,819,744	38,368,774
Packing Materials	21,900,971	22,948,681
Others	220,058,286	287,086,530
<b>Total</b>	<b>1,791,099,567</b>	<b>1,956,875,037</b>

(b) Value of imported and indigenous materials consumed

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
	Rupees	%	Rupees	%
<b>Raw Materials and Packing Materials</b>				
Imported	1,373,527,002	77%	1,292,977,583	66%
Indigenous	417,572,565	23%	663,897,454	34%
<b>Total</b>	<b>1,791,099,567</b>	<b>100%</b>	<b>1,956,875,037</b>	<b>100%</b>
<b>Stores and Spares</b>				
Imported	4,228,862	5%	4,034,463	5%
Indigenous	83,850,356	95%	69,456,125	95%
<b>Total</b>	<b>88,079,218</b>	<b>100%</b>	<b>73,490,588</b>	<b>100%</b>

**Note:** The consumption of raw materials, packing materials, spares, components and other items have been arrived at on the basis of opening stock plus purchases less closing stock. The consumption therefore includes adjustment for shortage/ excess and the effect of reduction of stock items to net realisable value. Imported and indigenous consumption have been identified to the extent information was available with the Company.

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

#### NOTE 33: VALUE OF IMPORTS (on CIF basis)

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Raw Materials and Packing Materials	1,240,816,190	1,266,019,211
Stores and Spares	4,321,308	5,339,574
Capital Goods (including Capital Work-in-Progress)	27,103,297	13,967,280

#### NOTE 34: EXPENDITURE IN FOREIGN CURRENCY

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Travelling Expenses	2,604,060	812,670
Commission on Sales	14,963,770	15,907,263
Professional fees	12,060,723	—
Freight and Transportation Expenses	8,536,914	281,296

#### NOTE 35: EARNINGS IN FOREIGN CURRENCY

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Revenue from Exports on F.O.B. Basis	304,802,012	405,353,261

#### NOTE 36: AUDITORS' REMUNERATION (excluding service tax)

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Audit Fees	1,900,000	1,275,000
Other Services	610,000	25,000
Out of Pocket Expenses	38,000	58,000
	<b>2,548,000</b>	<b>1,358,000</b>

#### NOTE 37:

The Company has disclosed the turnover as net of total excise duty (excluding difference of excise duty on closing inventory and opening inventory). The excise duty related to the difference between the closing inventory and opening inventory is recognised separately in Other expenses (Refer Note 30) in the Statement of Profit and Loss. The same is in accordance with the Accounting Standard Interpretation 14 (Revised), "Disclosure of Revenue from Sales Transactions" issued by the Council of The Institute of Chartered Accountants of India.

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Excise Duty on Opening Inventory	9,298,618	8,641,236
Excise Duty on Closing Inventory	9,323,051	9,298,618
(Increase)/Decrease in Excise Duty, recognised in the Statement of Profit and Loss	(24,433)	(657,382)



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**NOTE 38:**

**(a) 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 any 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 in Rs.
Average net profit of the Company for last three financial years	75,807,853
Prescribed CSR expenditure (2% of the average net profit as computed above)	1,516,157
<b>Details of CSR expenditure during the financial year:</b>	
Total amount to be spent for the financial year	1,516,157
Amount spent	1,535,000
Amount unspent	—

**(b)** The Board of Directors of the Company in their meeting held on 13 July 2015 have provided 'in principle' approval for amalgamation of Proseal Closures Limited (PCL), wholly owned subsidiary into the Company. Accordingly, PCL has filed the necessary application for amalgamation in the Bombay High Court on 7 April 2016. The order of the Bombay High Court in this regard is awaited.

**NOTE 39: DISCLOSURE AS PER ACCOUNTING STANDARD 15 (REVISED) – EMPLOYEE BENEFITS**

The Company has classified various benefits provided to employees as under:

**(a) Defined Contribution Plans**

The amount recognised as an expense during the year ended 31st March 2016 towards Provident Fund, ESIC contribution and Superannuation is Rs. 10,459,017 (Previous Year Rs. 9,577,861), Rs. 209,134 (Previous Year Rs. 161,932) and Rs. 3,799,465 (Previous Year Rs. 3,116,421) respectively.

**(b) Defined Benefit Plan**

Gratuity

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>(i)</b> In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:		
Discount Rate	7.80%	7.95%
Rate of increase in Compensation Levels	7.25%	7.25%
Rate of Return on Plan Assets	7.80%	8.75%
Attrition rate	2.38%	3.29%
Mortality Rate	<b>IALM Mortality- Tables (2006-08) Ultimate</b>	IALM Mortality- Tables (2006-08) Ultimate

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
<b>(ii) Changes in the Fair value of Plan Assets</b>		
Present Value of Plan Assets at the beginning of the year	36,456,787	31,808,201
Expected Return on Plan Assets	3,196,798	2,973,395
Actuarial Gain/ (Loss) on Plan Assets	(155,299)	(113,424)
Contributions	587,791	3,067,769
Benefits Paid	(1,731,873)	(1,279,154)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>38,354,204</b>	36,456,787
<b>(iii) Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	43,361,899	35,208,902
Interest Cost	3,454,624	3,160,843
Past Service Cost	—	—
Current Service Cost	3,152,234	3,046,289
Curtailment Cost/ (Credit)	—	—
Benefits Paid	(1,731,873)	(1,279,154)
Actuarial (Gain)/ Loss	715,833	3,225,019
<b>Present Value of Obligation at the end of the year</b>	<b>48,952,717</b>	43,361,899
<b>(iv) Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	48,952,717	43,361,899
Fair Value of Plan Assets at the end of the year	(38,354,204)	(36,456,787)
<b>Net Liability recognised at the end of the year</b>	<b>10,598,513</b>	6,905,112
<b>(v) 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	100%	100%
<b>(vi) Expenses recognised in the Statement of Profit and Loss</b>		
Current Service Cost	3,152,234	3,046,289
Past Service Cost	—	—
Interest Cost	3,454,624	3,160,843
Expected Return on Plan Assets	(3,196,798)	(2,973,395)
Curtailment Cost/ (Credit)	—	—
Actuarial (Gain)/ Loss	897,371	3,338,443
<b>Total Expenses recognised in the Statement of Profit and Loss</b>	<b>4,307,431</b>	6,572,180
<b>(vii) Expected Contribution to Gratuity Fund for the next year, Rs. 13,830,558 (Previous Year: Rs. 9,644,818).</b>		




**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

<b>(viii) Details of Present Value of Obligation, Plan Assets and Experience Adjustments:</b>					
<b>Particulars</b>	<b>Year ended March 31, 2016 Rupees</b>	<b>Year ended March 31, 2015 Rupees</b>	<b>Year ended March 31, 2014 Rupees</b>	<b>Year ended March 31, 2013 Rupees</b>	<b>Year ended March 31, 2012 Rupees</b>
Present value of obligation	<b>48,952,717</b>	43,361,899	35,208,902	32,383,412	29,893,753
Fair value of plan assets	<b>38,354,204</b>	36,456,787	31,808,201	28,276,265	26,322,841
(Surplus)/Deficit	<b>10,598,513</b>	6,905,112	3,400,701	4,107,147	3,570,912
Experience Adjustments:					
(Gain)/Loss on plan liabilities	<b>715,833</b>	3,225,019	666,750	(1,500,355)	1,240,564
Gain/(Loss) on plan assets	<b>(155,299)</b>	(113,424)	—	—	—

**(c) Compensated absences**

The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the Statement of Profit and Loss for the year is Rs. 5,399,152 (Previous Year: Rs. 4,729,383).

**NOTE 40:**

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. 181,791,984. 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, 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 96 months from the date of disbursement, 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 96 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. 29,450,302 (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 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. 29,450,302 and has not accrued the annual interest expense of Rs. 16,361,279 for the financial years ended March 31, 2013 to March 31, 2016 based on the written communication to BL.

**NOTE 41:**

Based on the tax consultant's opinion/ advice obtained by the Company, the Management is of the opinion that there may not be any tax liability on account of transfer pricing of its transactions with associated enterprises referred to in Section 92 to 92 F of the Income-tax Act, 1961, of India.

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## NOTE 42: RELATED PARTY DISCLOSURES

### (a) Names of related parties and nature of relationship

#### (i) Parties having joint control over the Company

Balmer Lawrie and Company Limited

Greif International Holding B.V.

#### (ii) Subsidiary of the Company

Proseal Closures Limited

#### (iii) Joint Venture

Transafe Services Limited

#### (iv) Parties under the common control

Balmer Lawrie (UAE) LLC

Greif Singapore Pte Ltd

Greif Egypt LLC

Greif Nederland B.V.

Greif France SAS

Greif Eastern Packaging Pte Limited

Greif Phillipines Inc.

American Flange and Manufacturing Co. Inc.

Greif Italia SpA

Greif Plastics Italy S.R.L.

Trisure Closures Australia Pty Limited

Greif Hua I Taiwan Co Limited

Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.

#### (v) Key Management Personnel

Mohan Menon - Managing Director

Sanjay Datta - Chief Financial Officer

Rajesh Juthani - Company Secretary



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**Related Party Disclosures**

**(b) The following transactions were carried out during the year with the related parties in the ordinary course of business; (Amount in Rupees)**

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above		Parties referred to in (iv) above		Total	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
<b>Management and Marketing Fees</b> Proseal Closures Limited	—	—	—	—	—	—	—	—	—	—
	—	9,877,701	—	—	—	—	—	—	—	9,877,701
	—	9,877,701	—	—	—	—	—	—	—	9,877,701
<b>Commission Expense</b> Greif Nederland B.V.	—	—	—	—	—	—	14,883,175	15,907,263	14,883,175	15,907,263
	—	—	—	—	—	—	14,883,175	15,907,263	14,883,175	15,907,263
<b>Loan Received</b> Balmer Lawrie and Company Limited	—	115,000,000	—	—	—	—	—	—	—	115,000,000
	—	115,000,000	—	—	—	—	—	—	—	115,000,000
<b>Repayment of Loan Taken</b> Balmer Lawrie and Company Limited	—	115,000,000	—	—	—	—	—	—	—	115,000,000
	—	115,000,000	—	—	—	—	—	—	—	115,000,000
<b>Waiver of Loan Taken</b> Greif International Holding B.V.	26,250,000	—	—	—	—	—	—	—	26,250,000	—
	26,250,000	—	—	—	—	—	—	—	26,250,000	—
<b>Loan Given</b> Proseal Closures Limited	—	—	35,000,000	—	—	—	—	—	35,000,000	—
	—	—	35,000,000	—	—	—	—	—	35,000,000	—
<b>Repayment of Loan Given</b> Proseal Closures Limited	—	—	—	13,500,000	—	—	—	—	—	13,500,000
	—	—	—	13,500,000	—	—	—	—	—	13,500,000
<b>Amount Reimbursed by other Companies</b> Balmer Lawrie and Company Limited	28,479	395,153	2,732,848	2,979,541	—	—	—	—	28,479	395,153
	28,479	395,153	2,732,848	2,979,541	—	—	—	—	28,479	395,153
Proseal Closures Limited	—	—	—	—	—	—	—	—	2,732,848	2,979,541
Transale Services Limited	—	—	216,405	36,604	—	—	—	—	216,405	36,604
Greif Singapore Pte Ltd	—	—	—	—	2,328,156	—	—	—	2,328,156	—
Greif Nederland B.V.	—	—	—	—	—	—	824,374	—	—	824,374
Tri-Sure Closures Australia Pty Limited	—	—	—	—	256,711	—	—	—	256,711	—
	28,479	395,153	2,732,848	2,979,541	216,405	36,604	2,584,867	824,374	5,562,599	4,235,672
<b>Amount Reimbursed to other Companies</b> Balmer Lawrie and Company Limited	937,221	—	—	—	—	—	—	—	937,221	—
	937,221	—	—	—	—	—	—	—	937,221	—
Proseal Closures Limited	—	—	—	128,155	—	—	—	—	—	128,155
Greif Nederland B.V.	—	—	—	—	—	—	5,217,090	—	5,217,090	—
Greif Singapore Pte Ltd	937,221	—	—	—	—	—	6,425,692	77,533	12,560,003	77,533
	937,221	—	—	128,155	—	—	11,642,782	77,533	12,560,003	205,688
<b>Interest Expense</b> Balmer Lawrie and Company Limited	—	2,262,699	—	—	—	—	—	—	—	2,262,699
	—	2,262,699	—	—	—	—	—	—	—	2,262,699
<b>Interest Income</b> Proseal Closures Limited	—	—	2,427,945	758,632	—	—	—	—	2,427,945	758,632
	—	—	2,427,945	758,632	—	—	—	—	2,427,945	758,632
<b>Dividend Paid</b> Balmer Lawrie and Company Limited	17,202,544	10,321,532	—	—	—	—	—	—	17,202,544	10,321,532
	17,202,544	10,321,532	—	—	—	—	—	—	17,202,544	10,321,532
Greif International Holding B.V.	34,405,108	20,643,070	—	—	—	—	—	—	34,405,108	20,643,070
	34,405,108	20,643,070	—	—	—	—	—	—	34,405,108	20,643,070



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

## Related Party Disclosures

## (c) Amount Due to / from related parties (as at year-end):

(Amount in Rupees)

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii) above		Parties referred to in (iii) above		Parties referred to in (iv) above		Total	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
<b>Outstanding Receivable (Net of Payable)</b>										
Balmer Lawrie and Company Limited	13,231,747	17,717,013	—	—	—	—	—	—	13,231,747	17,717,013
Proseal Closures Limited	—	—	2,183,694	8,478,399	—	—	—	—	2,183,694	8,478,399
Transafe Services Limited	—	—	—	—	105,697	—	—	—	105,697	—
Greif Singapore Pte Ltd	—	—	—	—	—	—	30,669,465	34,273,685	30,669,465	34,273,685
Greif Egypt LLC	—	—	—	—	—	—	3,337,809	3,480,695	3,337,809	3,480,695
Greif Eastern Packaging Pte Limited	—	—	—	—	—	—	7,331,689	979,306	7,331,689	979,306
American Flange and Manufacturing Co. Inc.	—	—	—	—	—	—	13,596,331	—	13,596,331	—
Balmer Lawrie (UAE) LLC	—	—	—	—	—	—	4,611,310	5,814,457	4,611,310	5,814,457
Greif Italia SpA	—	—	—	—	—	—	—	2,513,025	—	2,513,025
Tri-Sure Closures Australia Pty, Ltd.	—	—	—	—	—	—	256,711	23,920	256,711	23,920
	<b>13,231,747</b>	<b>17,717,013</b>	<b>2,183,694</b>	<b>8,478,399</b>	<b>105,697</b>	<b>—</b>	<b>59,803,315</b>	<b>47,085,088</b>	<b>75,324,453</b>	<b>73,280,500</b>
<b>Outstanding Payable (Net of Receivable)</b>										
Greif Embalagens Ind do Brasil Ltda	—	—	—	—	—	—	111,821	1,815,449	111,821	1,815,449
Transafe Services Limited	—	—	—	—	—	496,719	—	—	—	496,719
Greif France SAS	—	—	—	—	—	—	939,122	—	939,122	—
Greif Nederland B.V.	—	—	—	—	—	—	15,372,368	12,707,707	15,372,368	12,707,707
	—	—	—	—	—	—	<b>16,423,311</b>	<b>14,523,156</b>	<b>16,423,311</b>	<b>15,019,875</b>
<b>Outstanding Loan Payable (Including Interest)</b>										
Greif International Holding B.V.	—	26,250,000	—	—	—	—	—	—	—	26,250,000
Balmer Lawrie and Company Limited	181,791,984	181,791,984	—	—	—	—	—	—	181,791,984	181,791,984
	<b>181,791,984</b>	<b>208,041,984</b>	—	—	—	—	—	—	<b>181,791,984</b>	<b>208,041,984</b>
<b>Outstanding Loan Receivable (Including Interest)</b>										
Proseal Closures Limited	—	—	35,000,000	—	—	—	—	—	35,000,000	—
	—	—	<b>35,000,000</b>	—	—	—	—	—	<b>35,000,000</b>	—

## (d) Key Management Personnel (KMP):

- (i) Remuneration to Managing Director Rs. 6,487,744 (Previous Year Rs. 3,907,464)
- (ii) Remuneration to Chief Financial Officer Rs. 2,775,393 (Previous Year Rs. 1,777,734)
- (iii) Remuneration to Company Secretary Rs. 2,773,990 (Previous Year Rs. 2,041,563)

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

### NOTE 43: DISCLOSURE OF DERIVATIVES

- i Forward Exchange Contracts outstanding as at March 31, 2016, to hedge the foreign currency exposure for payments to be made against imports and other payables are as follows:

Currency	Number of Contracts		Amount	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Import Payables</b>				
USD	5	4	2,077,440	993,220
(Equivalent Rs.)			138,025,114	62,255,030

- ii The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2016 are as follows:

Particulars	Foreign Currency Denomination	Foreign Currency Amount	Amount (In Rupees)	Foreign Currency Amount	Amount (In Rupees)
		March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2015
Trade Receivables	USD	906,254	59,613,377	749,231	46,489,782
	SGD	42,432	2,052,860	21,840	979,306
Secured Loan	USD	—	—	195,975	12,283,713
Trade Payables	USD	1,205,219	80,074,753	1,387,694	86,980,687
	EURO	233,148	17,598,014	129,013	8,778,075

The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date in accordance with Accounting Standard 11 – “The Effects of Changes in Foreign Exchange Rates (Revised 2003)” notified under Section 133 of the Act.

### NOTE 44: PROVISIONS

Particulars	Indirect Taxes	
	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Balance at the beginning of the year	16,343,036	15,185,349
Additions (net of reversal)	3,438,936	1,157,687
Amount used	—	—
Balance at the end of the year	19,781,972	16,343,036

**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 law and hence the Company is not able to reasonably ascertain the timing of the outflow.

### NOTE 45:

The Company has entered into cancellable leasing arrangements mainly for residential flats, office premises, warehouse, vehicles etc. The Lease rent of Rs. 1,422,342 (Previous Year: Rs. 3,311,245) has been included under the head ‘Other Expenses - Rent’ under Note 30 to the Financial Statements.



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.**

**NOTE 46: SEGMENT REPORTING**

The Business Segments have been considered as the primary segments for disclosure. The reported business segments are:

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

The above business segments have been identified considering:

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

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 enterprise 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.

(Rupees)

Particulars	2015-2016			2014-2015		
	Steel Drum Closures	Plastic Containers	Total	Steel Drum Closures	Plastic Containers	Total
<b>Revenue</b>						
External Segment Revenue	619,069,446	2,067,221,041	2,686,290,487	716,929,322	2,052,932,808	2,769,862,130
Inter-Segment Revenue	—	—	—	—	—	—
<b>Total Revenue</b>	<b>619,069,446</b>	<b>2,067,221,041</b>	<b>2,686,290,487</b>	<b>716,929,322</b>	<b>2,052,932,808</b>	<b>2,769,862,130</b>
<b>Result</b>						
Segment Result	38,821,748	165,603,334	204,425,082	73,814,831	110,444,894	184,259,725
Add: Unallocable Income			69,410,324			2,600,586
Less: Interest Expense			41,213,695			46,562,127
Unallocable Expenses			85,323,378			61,180,982
<b>Profit Before Taxation</b>			<b>147,298,333</b>			<b>79,117,202</b>
Less: Tax Expenses			37,204,252			26,735,509
<b>Profit After Taxation</b>			<b>110,094,081</b>			<b>52,381,693</b>
<b>Other Information</b>						
Segment Assets	564,795,449	964,749,251	1,529,544,700	529,152,696	861,072,302	1,390,224,998
Unallocable Assets			646,326,884			614,772,683
<b>Total Assets</b>			<b>2,175,871,584</b>			<b>2,004,997,681</b>
Segment Liabilities	113,117,539	326,066,824	439,184,363	98,805,349	249,608,056	348,413,405
Unallocable Liabilities			759,565,235			731,943,870
<b>Total Liabilities</b>			<b>1,198,749,598</b>			<b>1,080,357,275</b>
<b>Capital Expenditure</b>						
Segment	33,044,509	94,584,533	127,629,042	17,870,340	33,814,321	51,684,661
Unallocable			5,438,695			4,773,778
<b>Total Capital Expenditure</b>			<b>133,067,737</b>			<b>56,458,439</b>
(Including Capital Work-In-Progress)						
<b>Depreciation and amortisation</b>						
Segment	21,187,520	29,719,311	50,906,831	19,521,329	39,334,803	58,856,132
Unallocable			4,419,471			6,988,806
<b>Total Depreciation and amortisation</b>			<b>55,326,302</b>			<b>65,844,938</b>
<b>Non-cash expenses other than depreciation and amortisation</b>						
Segment	914,255	702,444	1,616,699	181,547	278,551	460,098
Unallocable			3,438,936			1,157,687
<b>Total</b>			<b>5,055,635</b>			<b>1,617,785</b>
<b>GEOGRAPHICAL SEGMENT</b>						
<b>Revenue</b>						
India			2,367,916,863			2,358,069,554
Outside India			318,373,624			411,792,576
			<b>2,686,290,487</b>			<b>2,769,862,130</b>
<b>Assets</b>						
India			1,467,878,463			1,342,755,910
Outside India			61,666,237			47,469,088
			<b>1,529,544,700</b>			<b>1,390,224,998</b>
<b>Capital Expenditure</b>						
India			127,629,042			51,684,661
Outside India			—			—
			<b>127,629,042</b>			<b>51,684,661</b>



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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2016.

### NOTE 47: OUTSTANDING DUES TO MICRO AND SMALL ENTERPRISES

The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at March 31, 2016. The disclosure pursuant to the said Act is as under:

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Principal amount due to suppliers under MSMED Act (Including Payable for Fixed Assets)	15,139,084	15,155,796
Interest accrued and due to suppliers under MSMED Act on the above unpaid amount	—	26,455
Payment made to suppliers (other than interest) beyond the appointed day during the year	123,605,230	116,696,957
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	—	725,113
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	2,537,376	2,537,376

**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.

### NOTE 48: PROPOSED DIVIDEND

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
The Final Dividend proposed for the year is as follows: On Equity Shares of Rs. 10 each: Amount of Dividend proposed	53,856,042	35,904,028
Dividend per Equity Share	Rs. 3.00/- per share	Rs. 2/- per share

### NOTE 49: DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Dividend paid during the year	17,202,564	10,321,538
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	2014-15	2013-14

### NOTE 50:

Figures for the previous year have been regrouped / reclassified, wherever necessary.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Hubballi, 19 May, 2016

For and on behalf of the Board of Directors

**Reinier Hietink**  
**Prabal Basu**  
**Kannan Ananthakrishnan**  
**Srikumar Menon**  
**Dhandapani Sothi Selvam**  
**Jozef Casparie**  
**Manjusha Bhatnagar**

*Directors*

**Sanjay Datta**

*Chief Financial Officer*

**Rajesh Juthani**

*Company Secretary*

Mumbai, 13 May, 2016



## Independent Auditor's Report

To the Members of Balmer Lawrie – Van Leer Limited

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated financial statements of Balmer Lawrie – Van Leer Limited, (the "Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and jointly controlled entity, which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and jointly controlled entity, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiary included in the Group, and of its jointly controlled entity are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company, its subsidiary and jointly controlled entity, are responsible for maintenance of adequate accounting records; safeguarding the assets; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's

report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph 11 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

### BASIS FOR QUALIFIED OPINION

8. As stated in Note 34 to the consolidated financial statements, the Holding Company has not accrued interest aggregating Rs. 16,361,279 (Previous year Rs. 16,361,279) on a loan in accordance with terms of such loan agreement. Had the Holding Company provided for interest in accordance with the terms of the aforesaid agreement, net profit for the year ended 31 March 2016 would have been lower by Rs. 10,698,967 (Previous year: Rs. 11,052,862), other current liabilities as at 31 March 2016 would have been higher by Rs. 94,895,417 (Previous year: Rs. 78,534,138) and the reserves and surplus as at that date would have been lower by Rs. 92,505,361 (Previous year: Rs. 76,497,977). Further, interest expense amounting to Rs 81,806,394 (Previous year: Rs. 65,445,115) would have been classified as a prior period item. Our audit opinion on the consolidated financial statements for the year ended 31 March 2015 was also qualified in respect of this matter.

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## QUALIFIED OPINION

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on the financial statements of the jointly controlled entity as noted below, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entity as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## EMPHASIS OF MATTER

10. The Independent Auditors of the Company's jointly controlled entity, Transafe Services Limited (TSL), in their audit report on financial statements of TSL for the year ended 31 March 2016, have drawn attention to the matter stated in Note 43 to the consolidated financial statements which indicates that TSL's accumulated losses have exceeded its net worth by Rs. 170,018,076 and its application for revival under The Sick Industrial Companies (Special Provisions) Act, 1985 (case number 83/2013) is pending. These conditions indicate the existence of material uncertainty that may cast significant doubt about TSL's ability to continue as a going concern. However, the financial statements of TSL have been prepared on a going concern basis for the reasons stated in the said Note. Our opinion is not qualified in respect of this matter.

## OTHER MATTER

11. We did not audit the financial statements of a jointly controlled entity, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 621,499,577 as at 31 March 2016, total revenues (after eliminating intra-group transactions) of Rs. 327,332,506 and net cash out flows amounting to Rs. 1,761,388 for the year ended on that date. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid, jointly controlled entity, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by Section 143(3) of the Act, and based on the auditor's report of the jointly controlled entity, we report, to the extent applicable, that:
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - (b) except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
  - (c) the consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - (e) matter described in paragraph 8 under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
  - (f) on the basis of the written representations received from the directors of the Holding Company as at 31st March 2016 taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditor of its jointly controlled entity incorporated in India, none of the directors of the Group companies and its jointly controlled entity, incorporated in India are disqualified as at 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
  - (h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company and jointly controlled entity, which are companies incorporated in India, as of 31 March 2016, in conjunction with our audit of the consolidated financial statements for the year ended on that date and our report dated 11 August 2016 as per Annexure, expressed a qualified opinion;



(i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) as detailed in Note 24, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entity;
- (ii) the Group and jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its

subsidiary company and jointly controlled entity incorporated in India.

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

Place: Mumbai  
Date: 11 August, 2016

**per Bharat Shetty**  
*Partner*  
Membership No.: 106815

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Annexure to the Independent Auditor's Report of even date to the members of Balmer Lawrie – Van Leer Limited, on the consolidated financial statements for the year ended 31 March 2016

## ANNEXURE

### 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 consolidated financial statements of Balmer Lawrie – Van Leer Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), and jointly controlled entity as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company and jointly controlled entity, which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding Company, its subsidiary company and jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary company and jointly controlled entity as aforesaid, 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 the company's policies, the safeguarding of the company's 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 IFCoFR of the Holding Company, its subsidiary company and jointly controlled entity as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (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 on Audit of Internal Financial Controls Over Financial Reporting (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.

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.

4. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary company and jointly controlled entity as aforesaid.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

5. 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

6. 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 the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**BASIS FOR QUALIFIED OPINION**

7. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March 2016:

The jointly controlled entity did not comply with the statutory requirements for constitution of Audit Committee and Nomination and Remuneration Committee of the Board of Directors in the prescribed manner. Further, its departmental policies and procedures were not comprehensively documented. These deficiencies in the control environment may affect examination of the financial statements and the auditor's report thereon, evaluation of internal financial controls and risk management systems, governance function and hinder attainment of management objective.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

**QUALIFIED OPINION**

8. In our opinion, except for the possible effects of the material weakness described above on the achievement of objectives of the control environment, the Holding Company, its subsidiary company and jointly controlled entity, which are the companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

**OTHER MATTER**

9. We did not audit the IFCoFR insofar as it relates to a jointly controlled entity, which is a company incorporated in India, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 621,499,577 as at 31 March 2016, total revenues (after eliminating intra-group transactions) of Rs. 327,332,506 and net cash outflows amounting to Rs. 1,761,388 for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary company and jointly controlled entity, which are companies incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid jointly controlled entity, is solely based on the corresponding report of the auditor of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

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

**per Bharat Shetty**  
*Partner*  
Membership No.: 106815

Place: Mumbai  
Date: 11 August, 2016

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## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	2	179,634,140	179,634,140
Preference Share Capital	3	136,348,500	136,348,500
Reserves and Surplus	4	427,005,252	405,576,244
		<u>742,987,892</u>	<u>721,558,884</u>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	609,227,525	728,427,211
Deferred Tax Liabilities (Net)	6	53,684,129	51,133,876
Other Long Term Liabilities	7	8,695,330	9,845,917
Long-Term Provisions	8	43,269,705	36,403,013
		<u>714,876,689</u>	<u>825,810,017</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	9	651,961,247	639,777,492
Trade payables – outstanding dues to micro and small enterprises	10	16,734,558	16,847,779
Trade payables – outstanding dues to other than micro and small enterprises	10	423,356,808	368,456,228
Other Current Liabilities	11	460,799,197	343,698,657
Short-Term Provisions	12	133,999,126	109,044,156
		<u>1,686,850,936</u>	<u>1,477,824,312</u>
<b>TOTAL</b>		<u><b>3,144,715,517</b></u>	<u><b>3,025,193,213</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	13	1,499,323,060	1,408,326,582
Intangible Assets	14	90,517,508	101,804,908
Capital Work-in-Progress		50,875,153	69,357,944
Deferred Tax Assets (Net)	15	208,670	208,670
Long-Term Loans and Advances	16	120,469,265	82,774,318
Other Non-Current Assets	17	8,007,012	2,035,000
		<u>1,769,400,668</u>	<u>1,664,507,422</u>
<b>Current Assets</b>			
Inventories	18	511,886,768	483,480,113
Trade Receivables	19	661,098,356	614,697,862
Cash and Bank Balances	20	27,516,037	48,324,138
Short-Term Loans and Advances	21	163,391,037	207,440,614
Other Current Assets	22	11,422,651	6,743,064
		<u>1,375,314,849</u>	<u>1,360,685,791</u>
<b>TOTAL</b>		<u><b>3,144,715,517</b></u>	<u><b>3,025,193,213</b></u>

Significant accounting policies and other explanatory information

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As per our report of even date attached.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
Chartered Accountants

**Kannan Ananthakrishnan** – Director

**Dhandapani Sothi Selvam** – Director

**Bharat Shetty**  
Partner

**Sanjay Datta** – Chief Financial Officer

**Rajesh Juthani** – Company Secretary

Mumbai, 11 August, 2016

Mumbai, 3 August, 2016




**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

	Note	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>REVENUE</b>			
Revenue from Operations (Gross)	25	4,050,370,147	4,157,889,354
Less: Excise Duty		323,007,578	317,438,262
Revenue from Operations (Net)		3,727,362,569	3,840,451,092
Other Income	26	61,170,637	28,100,206
<b>TOTAL REVENUE</b>		<b>3,788,533,206</b>	<b>3,868,551,298</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	2,178,267,138	2,372,840,079
Changes in Inventories of Finished Goods and Work-in-Progress	28	959,270	14,318,769
Employee Benefits Expense	29	400,238,642	345,816,345
Finance Costs	30	137,197,065	141,098,908
Depreciation and Amortisation Expense	31	143,014,886	162,497,905
Other Expenses	32	758,096,050	704,202,517
<b>TOTAL EXPENSES</b>		<b>3,617,773,051</b>	<b>3,740,774,523</b>
<b>Profit Before Tax</b>		<b>170,760,155</b>	<b>127,776,775</b>
<b>Tax Expense</b>			
Current tax		74,408,000	70,781,000
Deferred Tax Credit		2,550,243	(2,818,490)
Tax pertaining to earlier years (MAT)		14,760,403	—
<b>Profit for the Year</b>		<b>79,041,509</b>	<b>59,814,265</b>
<b>Earnings Per Equity Share</b>			
Basic and Diluted	38	4.40	3.33

Significant accounting policies and other explanatory information

1 to 44

As per our report of even date attached.

For and on behalf of the Board of Directors

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
Chartered Accountants

Kannan Ananthakrishnan – Director

Dhandapani Sothi Selvam – Director

**Bharat Shetty**  
Partner

Sanjay Datta – Chief Financial Officer

Rajesh Juthani – Company Secretary

Mumbai, 11 August, 2016

Mumbai, 3 August, 2016

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## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	170,760,155	127,776,775
<b>Adjustments for:</b>		
Depreciation	143,014,886	162,497,903
(Profit)/ Loss on sale of tangible assets (net)	(1,073,095)	(1,181,466)
Interest income	(4,283,489)	(3,201,894)
Provision for Doubtful Debts and Advances	4,241,953	24,189,214
Bad Debts/ Advances Written Off	1,616,699	14,815,233
Finance costs	136,111,407	141,098,908
Liabilities no longer required written back	(41,565,708)	(20,237,055)
Unrealised foreign exchange loss/(gain)	(2,471,035)	(1,015,053)
<b>Operating profit before working capital changes</b>	<b>406,351,773</b>	<b>444,742,565</b>
<b>Changes in working capital:</b>		
Increase / (Decrease) in provisions, trade payables and other current liabilities	171,289,855	(78,597,732)
(Increase) / Decrease in trade receivables	(47,341,388)	17,700,843
(Increase) / Decrease in inventories	(28,406,655)	(49,060,980)
(Increase) / Decrease in loans and advances and other current assets	(16,113,590)	18,339,684
<b>Operating profit after working capital changes</b>	<b>485,779,995</b>	<b>353,124,380</b>
Direct taxes paid (net of refund)	(77,928,374)	(78,999,743)
<b>Net cash generated from operating activities (A)</b>	<b>407,851,621</b>	<b>274,124,637</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including capital work-in-progress)	(214,957,890)	(107,757,160)
Sale of fixed assets	3,446,831	2,310,683
Fixed deposits matured/ (placed)	(11,010,367)	(3,798,200)
Interest received	3,732,285	3,037,747
<b>Net cash used in investing activities (B)</b>	<b>(218,789,141)</b>	<b>(106,206,930)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (including dividend distribution tax thereon)	(43,741,722)	(25,203,551)
Capital subsidy received	—	3,000,000
Repayment of long-term borrowings (net)	(67,914,345)	(20,764,395)
Finance costs paid	(116,327,083)	(128,551,516)
Proceeds from short-term borrowings (net)	12,183,755	8,180,564
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>(215,799,395)</b>	<b>(163,338,898)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(26,736,915)</b>	<b>4,578,809</b>
Cash and cash equivalents at the beginning of the year	42,594,257	38,015,448
Cash and cash equivalents at the end of the year	15,857,342	42,594,257
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(26,736,915)</b>	<b>4,578,809</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on Hand	290,413	304,048
Cheques on Hand	3,742,239	9,299,542
Bank Balances:		
In Current Accounts	11,792,306	16,950,695
In EEFC Accounts	32,384	442,853
In Demand Deposit Accounts	—	15,597,119
<b>Cash and cash equivalents as per Note 20 to the financial statements</b>	<b>15,857,342</b>	<b>42,594,257</b>

- Notes:**
- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard – 3 on "Cash Flow Statements" notified under Section 133 to the Companies Act, 2013.
  - Figures in brackets indicate cash outgo.
  - Previous year's figures have been regrouped/ rearranged wherever necessary.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Mumbai, 11 August, 2016

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

**Kannan Ananthakrishnan** – *Director*

**Dhandapani Sothi Selvam** – *Director*

**Sanjay Datta** – *Chief Financial Officer*

**Rajesh Juthani** – *Company Secretary*

Mumbai, 3 August, 2016



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### NOTE 1: Summary of Significant Accounting Policies

#### 1.1 Basis of Consolidation

##### (a) Basis of preparation

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed under Rule 7 of the Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act"). All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non current classification of assets and liabilities.

The preparation of financial statements in conformity with GAAP requires that the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, provision for inventory obsolescence, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The consolidated financial statements comprises the financial statements of Balmer Lawrie – Van Leer Limited (the "Company"), Proseal Closures Limited, its subsidiary and Transafe Services Limited, its jointly controlled entity (collectively referred as the "Group").

##### (b) Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary company have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and elimination of resulting unrealised profits, if any in accordance with Accounting Standard ('AS') – 21 'Consolidated Financial Statements' notified by Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Act.

The interest in Joint Venture which is in the nature of jointly controlled entity have been consolidated by using the proportionate consolidation method on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and elimination of resulting unrealized profits, if any in accordance with AS 27 – 'Financial Reporting of Interests in Joint Ventures' notified by Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Act.

The difference between the cost to the Group of investment in subsidiary and jointly controlled entity and the proportionate share in the equity of the investee company as at the date of the acquisition of stake is recognised in the consolidated financial statements as goodwill or capital reserve, as the case may be. Goodwill arising on consolidation is tested for impairment annually in addition to being amortised in accordance with note 1.2(b).

#### 1.2 Fixed Assets (including Capital Work-in-Progress)

##### (a) Tangible assets

Tangible Assets are stated at cost of acquisition inclusive of all attributable cost of bringing them to their working condition, net of cenvat credit, 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 tangible assets 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 consolidated financial statements. Any expected loss is recognised immediately in the Consolidated Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

The Group provides pro-rata depreciation on additions and disposals made during the year. Depreciation on fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act except for plant and equipment, in which case the life of the assets has been assessed based on technical advice by an independent valuer, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc. In the case of tangible assets which have been used for more than one shift, the Group has provided accelerated depreciation as specified in Schedule II of the Act.

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

### (b) Intangible Assets

Intangible Assets are stated at acquisition cost, net of cenvat 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 Consolidated Statement of Profit and Loss.

Goodwill arising on consolidation is amortised over a period of ten years.

### (c) Capital Work-in-Progress

Assets acquired but not ready for use are classified under Capital work-in-progress.

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

## 1.4 Impairment

Assessment is done at each Consolidated Balance Sheet date as to whether there is any indication that an asset (tangible or intangible) 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 groups 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 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.

## 1.5 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 and stated at cost or net realisable value, whichever is lower. 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.

## 1.6 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 Consolidated Balance Sheet date are translated at the rates of exchange prevailing at the date of the Consolidated 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 Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at historical cost.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing foreign currency asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Consolidated Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### 1.7 Revenue Recognition

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates and sales taxes but including excise duties.

Export incentives are recognised when the right to receive the benefit is established.

Income from operating lease rentals is recognised on straight line basis using data on-hire days with customers except in certain cases of international lease where initial holidays from rentals are allowed as per the terms of the agreement.

Income from Indo Trailers service is recognised on conclusion of a trip as per transportation contract based on the reports received from respective branches.

### 1.8 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable.

Dividend income is recognised when the right to receive dividend is established.

### 1.9 Employee Benefits

#### Defined Contribution Plan

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

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

The Group's contributions to the above funds are charged to Consolidated Statement of Profit and Loss every year on accrual basis.

#### Defined Benefit Plan

The Group has a 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 with actuarial valuation carried out by an independent actuary as at the Consolidated 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 and are recognised immediately in the Consolidated Statement of Profit and Loss 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. 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 Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Consolidated 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 Consolidated Statement of Profit and Loss as and when incurred.

### 1.10 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

operating activities of the segment. Income and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocable Income” and “Unallocable Expenses” respectively. Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

### 1.11 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.

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 Consolidated Balance Sheet date. At each Balance Sheet date, the Group 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 related entity will pay normal income tax during the specified period.

### 1.12 Leases

#### (i) Finance lease:

Where the Company, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment. Assets taken on finance lease are accounted as fixed assets at fair value. Lease payments are apportioned between finance charge and reduction of outstanding liability.

#### (ii) Operating lease:

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

### 1.13 Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Consolidated Balance sheet date and are not discounted to their present value.

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 Group 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 the obligation or a reliable estimate of the amount cannot be made.



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 2: SHARE CAPITAL</b>		
<b>Authorised</b>		
18,500,000 (Previous Year:18,500,000) Equity Shares of Rs. 10 each	<b>185,000,000</b>	185,000,000
<b>Issued</b>		
17,974,814 (Previous Year:17,974,814) Equity Shares of Rs. 10 each	<b>179,748,140</b>	179,748,140
<b>Subscribed and Paid up</b>		
17,952,014 (Previous Year:17,952,014) Equity Shares of Rs. 10 each fully paid up	<b>179,520,140</b>	179,520,140
Add: Forfeited Equity Shares	<b>114,000</b>	114,000
[22,800 (Previous Year: 22,800) Equity Shares of Rs. 10 each (amount originally paid up Rs. 5 each)]		
	<b>179,634,140</b>	179,634,140

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

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Balance as at the beginning of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,748,140
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,748,140
<b>Subscribed and Paid up</b> (including forfeited equity shares)				
Balance as at the beginning of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,634,140
Add: Shares subscribed during the year	—	—	—	—
Balance as at the end of the year	<b>17,974,814</b>	<b>179,748,140</b>	17,974,814	179,634,140

**(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 TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% 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%

As at  
March 31, 2016  
Rupees

As at  
March 31, 2015  
Rupees

**NOTE 3: PREFERENCE SHARE CAPITAL (ISSUED BY TRANSAFE SERVICES LIMITED)**

**Issued, Subscribed and Paid up**

13,634,850 (Previous Year: 13,634,850) 0.001% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up	<u>136,348,500</u>	<u>136,348,500</u>
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(a) Reconciliation of Cumulative Redeemable Preference Share Capital

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Balance as at the beginning of the year	13,634,850	136,348,500	13,634,850	136,348,500
Add: Shares issued during the year	—	—	—	—
Balance as at the end of the year	13,634,850	136,348,500	13,634,850	136,348,500

(b) Relevant terms of Cumulative Redeemable Preference Share Capital including the conversion terms:

Pursuant to the Corporate Debt Restructuring Scheme, 27,269,700, 0.001% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10 each were issued and allotted as fully paid up to the bankers and other lenders of Transafe Services Limited on conversion of 10% of outstanding Term Loans and Short Term Working Capital Loans as at July 1, 2010. The Company has disclosed 50% of the aforesaid capital considering its stake of 50% in the jointly controlled entity. These CRPS are redeemable at a redemption premium calculated at 8.50% p.a. on simple basis along with cumulative dividend on April 1, 2020.



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

(c) Transafe Services Limited has not amortised premium on redemption amounting to Rs. 6,953,773 (Previous Year : Rs. 5,794,811) till March 31, 2016, since the net worth of this company stood fully eroded as at the year end.

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 4 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as at the beginning of the year	3,720,125	720,125
Add: Addition made during the year	—	3,000,000
Balance as at the end of the year	<u>3,720,125</u>	<u>3,720,125</u>
<b>Capital Reserve on Consolidation</b>		
Balance as at the beginning of the year	26,578,006	26,578,006
Add: Addition made during the year	—	—
Balance as at the end of the year	<u>26,578,006</u>	<u>26,578,006</u>
<b>Securities Premium</b>		
Balance as at the beginning of the year	327,234,969	327,234,969
Add: Addition made during the year	—	—
Balance as at the end of the year	<u>327,234,969</u>	<u>327,234,969</u>
[Securities Premium includes Rs. 171,000 originally paid up on 22,800 equity shares forfeited]		
<b>General Reserve</b>		
Balance as at the beginning of the year	109,451,783	105,501,783
Add: Transferred from Surplus in Consolidated Statement of Profit and Loss	8,300,000	3,950,000
Balance as at the end of the year	<u>117,751,783</u>	<u>109,451,783</u>
<b>Deficit in Consolidated Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(61,408,639)	(66,018,264)
Profit for the year	79,041,509	59,814,265
Appropriations:		
Proposed Dividend	(53,856,042)	(35,904,028)
Dividend Distribution Tax	(3,756,459)	(15,350,612)
Transferred to General Reserve	(8,300,000)	(3,950,000)
Balance as at the end of the year	<u>(48,279,631)</u>	<u>(61,408,639)</u>
<b>Total</b>	<u>427,005,252</u>	<u>405,576,244</u>

	As at March 31, 2016 Rupees		As at March 31, 2015 Rupees	
	Non-Current	Current	Non-Current	Current
<b>NOTE 5 : LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loans from Banks	416,327,282	230,640,841	509,845,802	178,800,568
Vehicle Loans from Banks	2,108,259	695,346	1,539,425	1,250,279
	<u>418,435,541</u>	<u>231,336,187</u>	<u>511,385,227</u>	<u>180,050,847</u>
<b>Unsecured</b>				
Loans from Balmer Lawrie and Company Limited	190,791,984	—	190,791,984	—
Loan from Greif International Holding B.V.	—	—	26,250,000	—
	<u>190,791,984</u>	<u>—</u>	<u>217,041,984</u>	<u>—</u>
<b>Total</b>	<u>609,227,525</u>	<u>231,336,187</u>	<u>728,427,211</u>	<u>180,050,847</u>

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

<b>(a) Nature of security and terms of repayment for secured borrowings</b>	
<b>Nature of Security</b>	<b>Terms of repayment</b>
<p>(i) Term Loans from HSBC Bank are secured by first charge over movable plant and equipment of the Steel Drum Closures Division of the Company for Rs. 45,000,000 and equitable mortgage of leasehold land (95 years lease), Mumbai along with immovable plant and equipment.</p>	<p>(a) Loan of Rs. 20,000,000 with outstanding amount of Rs. 14,285,714, repayable in 5 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.75% per annum.</p>
<p>(ii) Term Loan from Kotak Mahindra Bank is secured by first and exclusive hypothecation charge on all existing and future movable fixed assets including plant and equipment of the Company, located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk, Kanchipuram District, Chennai. First and exclusive equitable mortgage charge on immovable properties being property located at survey no-237/1, 238 &amp; 264/2 in Janakipuram Village, Madhuranthakam Taluk, Kanchipuram District, Chennai.</p>	<p>(b) Loan of Rs. 10,000,000 with outstanding amount of Rs. 8,571,429, repayable in 6 equal half yearly installments of Rs. 1,428,574 from the reporting date carrying interest of 11.75% per annum.</p> <p>(c) Loan of Rs. 20,000,000 with outstanding amount of Rs. 20,000,000, repayable in 7 equal half yearly installments of Rs. 2,857,153 from the reporting date carrying interest of 11.25% per annum.</p> <p>Loan of Rs. 14,000,000 with outstanding amount of Rs. 4,666,667 repayable in 12 equal monthly installments of Rs. 388,889 from the reporting date carrying interest of 12% per annum.</p>
<p>(iii) Term Loans from Corporation Bank by Proseal Closures Limited, are secured by exclusive mortgage/first charge on factory land and building and hypothecation/first charge on plant and equipment and other moveable properties excluding vehicles of Proseal Closures Limited.</p>	<p>(a) Loan of Rs.1,250,000 repayable in 2 equal monthly installments of Rs.625,000 from the reporting date carrying interest to be paid monthly, at 13.40% per annum.</p> <p>(b) Loan of Rs.37,100,000 repayable in 23 equal monthly installments of Rs.1,550,000 and the last 1 installment of Rs.1,450,000 from the reporting date carrying interest to be paid monthly, at 13.40% per annum.</p> <p>(c) Loan of Rs. 23,445,343 repayable in 19 equal monthly installments of Rs.1,148,000 and balance amount in the last installment from the reporting date carrying interest to be paid monthly, at 13.40% per annum.</p>
<p>(iv) Term Loans taken from Banks by Transafe Services Limited (Transafe) are secured by pari passu charge on all the containers, both present and future and all current assets of Transafe. In addition to this:</p> <p>(a) loan from HDFC Bank is further secured by first charge on moveable plant and equipment and immovable properties pertaining to Dharuhera Unit in Haryana; and</p> <p>(b) loan from Syndicate Bank is further secured by first charge on assets purchased out of the proceeds of the term loan and mortgage of immovable fixed assets of Transafe.</p>	<p>Repayable over the period of 4 years from the reporting date alongwith interest rate ranging between 10% p.a. to 15% p.a.</p>
<p>(v) Vehicle Loans from Banks are secured by hypothecation of vehicles purchased against the loan.</p>	<p>Repayable in installments ranging between 36 and 60 months from the date of respective loan. Interest to be paid monthly at the rate ranging from Base rate plus 1.25% to 3.75%.</p>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

(b) Terms of repayment for unsecured borrowings	Terms of repayment
Loans from Balmer Lawrie and Company Limited	<p>Loan 1 (by the Company) of Rs. 181,791,984 - Repayable within 96 months from the date of disbursement of first installment (August, 2009) of the loan. Interest to be paid annually at 9% or the prevailing bank rate whichever is higher. The Group has not accrued interest expense for the current financial year aggregating Rs. 16,361,279. (Refer Note 34)</p> <p>Loan 2 (by Transafe) of Rs. 9,000,000 - Loan will be subservient to the loans of CDR lenders and will be repayable after the restructuring period along with interest rate of 8.5% p.a. upto March 31, 2015 and 9.5% p.a. thereafter.</p>

**(c) Particulars of continuing default**

Name of the banks	As at March 31, 2016		As at March 31, 2015	
	Period to which the amount relates	Amount Rupees	Period to which the amount relates	Amount Rupees
HDFC Bank				
Principal	June 15 to March 2016	10,974,526	January to March 2015	2,770,614
Interest	June 15 to March 2016	5,427,198	January to March 2015	—
Axis Bank				
Principal	January to March 2016	7,824,862	January to March 2015	6,130,090
Interest	January to March 2016	1,767,331	January to March 2015	4,301,040
Karur Vysya Bank				
Principal	January to March 2016	5,593,830	January to March 2015	4,661,522
Interest	January to March 2016	3,126,820	January to March 2015	2,541,431
Syndicate Bank				
Principal	May 2014 to March 2016	46,280,379	May 2014 to March 2015	21,645,508
Interest	May 2014 to March 2016	30,017,048	May 2014 to March 2015	16,502,500
Bank Of India				
Principal	January to March 2016	337,500		—
Interest	January to March 2016	117,362		—

**NOTE 6 : DEFERRED TAX LIABILITIES (NET)**

Deferred Tax Liabilities:

    Depreciation

**83,315,996**

70,100,282

Deferred Tax Assets:

    Provision for Doubtful Debts, Advances and Deposits

**2,609,730**

1,743,013

    Provision for Indirect Taxes

**6,846,145**

5,302,498

    Provision for Employee Benefits

**20,175,992**

11,920,895

**53,684,129**

51,133,876

**As at  
March 31, 2016  
Rupees**

**As at  
March 31, 2015  
Rupees**

**NOTE 7 : OTHER LONG TERM LIABILITIES**

Security Deposits

**150,000**

150,000

Others

**8,545,330**

9,695,917

**8,695,330**

9,845,917

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>NOTE 8 : LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits		
Provision for Compensated Absences	23,487,733	20,059,977
Other Provisions		
Provision for Indirect Taxes	19,781,972	16,343,036
	<u>43,269,705</u>	<u>36,403,013</u>
<b>NOTE 9 : SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Cash Credit/ Packing Credit	481,910,422	411,748,105
Bill Discounting	76,073,719	80,093,450
Term Loan from Bank	—	30,000,000
<b>Unsecured</b>		
Overdraft with Bank	93,977,106	117,935,937
	<u>651,961,247</u>	<u>639,777,492</u>
(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.		
(c) Overdraft with Bank is supported by Corporate Guarantee issued by Greif Inc.		
<b>NOTE 10 : TRADE PAYABLES</b>		
Dues to micro and small enterprises (Refer Note 41)	16,734,558	16,847,779
Dues to others	423,356,808	368,456,228
	<u>440,091,366</u>	<u>385,304,007</u>
<b>NOTE 11 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Borrowings (Refer Note 5)	231,336,187	180,050,847
Interest Accrued but not due on Borrowings	1,301,943	1,372,240
Interest Accrued and due on Borrowings	43,199,592	23,344,971
Unpaid Dividends (Refer Note below)	1,671,385	1,332,130
Deposits Received	11,964,159	10,112,635
Advance from Customers	16,372,256	24,241,138
Employee Benefits Payable	34,909,006	16,866,745
Statutory Dues (including Provident Fund and Tax Deducted at Source)	26,102,656	23,901,290
Payable for Fixed Assets	2,955,392	15,561,162
Outstanding Expenses	76,420,212	41,820,477
Others	14,566,409	5,095,022
	<u>460,799,197</u>	<u>343,698,657</u>
There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.		
<b>NOTE 12 : SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits		
Provision for Gratuity	18,916,827	12,943,885
Provision for Compensated Absences	4,080,650	1,656,149
Provision for Income Tax (Net of Advance Tax)	45,876,230	43,189,482
Other Provisions:		
Provision for Proposed Dividend	53,856,042	35,904,028
Provision for Dividend Distribution Tax	11,269,377	15,350,612
	<u>133,999,126</u>	<u>109,044,156</u>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 13 : TANGIBLE ASSETS**

(Amount in Rupees)

Gross block	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Plant and equipment (under lease)	Furniture and fixtures	Vehicles	Computers	Enabling assets	Total
<b>Balance as at April 01, 2014</b>	58,776,392	145,527,083	331,837,055	1,437,141,520	993,633,861	32,467,784	92,776,476	21,294,837	2,127,362	3,115,582,370
Additions/Adjustments	—	—	258,000	58,750,660	114,850	1,369,604	3,157,233	1,695,713	—	65,346,060
Deletions/Adjustments	—	—	—	(2,166,714)	(2,294,582)	(996,837)	—	(263,440)	—	(5,721,573)
<b>Balance as at March 31, 2015</b>	58,776,392	145,527,083	332,095,055	1,493,725,466	991,454,129	32,840,551	95,933,709	22,727,110	2,127,362	3,175,206,857
Additions/Adjustments	—	—	31,462,146	182,631,529	2,416,694	1,238,732	4,858,620	2,049,538	—	224,657,259
Deletions/Adjustments	—	—	—	(5,933,447)	(8,242,076)	(19,500)	(3,204,576)	(349,110)	—	(17,748,709)
<b>Balance as at March 31, 2016</b>	58,776,392	145,527,083	363,557,201	1,670,423,548	985,628,747	34,059,783	97,587,753	24,427,538	2,127,362	3,382,115,407
<b>Accumulated depreciation</b>										
<b>Balance as at April 01, 2014</b>	—	14,181,042	78,106,303	878,070,801	555,210,387	20,413,044	57,344,957	16,674,690	2,127,362	1,622,128,586
Depreciation charge	—	1,870,414	13,380,752	80,408,996	38,157,620	2,952,518	9,063,162	3,510,584	—	149,344,046
Deletions /Adjustments	—	—	—	(1,686,811)	(1,700,740)	(953,029)	—	(251,777)	—	(4,592,357)
<b>Balance as at March 31, 2015</b>	—	16,051,456	91,487,055	956,792,986	591,667,267	22,412,533	66,408,119	19,933,497	2,127,362	1,766,880,275
Depreciation charge	—	1,875,464	13,486,580	68,928,403	35,787,796	2,665,706	6,417,768	2,125,328	—	131,287,045
Deletions /Adjustments	—	—	—	(4,227,472)	(8,092,195)	(19,500)	(2,686,726)	(349,080)	—	(15,374,973)
<b>Balance as at March 31, 2016</b>	—	17,926,920	104,973,635	1,021,493,917	619,362,868	25,059,739	70,139,161	21,709,745	2,127,362	1,882,792,347
<b>Net block</b>										
<b>Balance as at March 31, 2015</b>	58,776,392	129,475,627	240,608,000	536,932,480	399,786,862	10,428,018	29,525,590	2,793,613	—	1,408,328,582
<b>Balance as at March 31, 2016</b>	58,776,392	127,600,163	258,583,566	648,929,631	366,265,879	9,001,044	27,448,592	2,717,793	—	1,499,323,060

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

**NOTE 14 : INTANGIBLE ASSETS**

(Amount in Rupees)

Gross block	Goodwill on Consolidation	Computer Software	Total
<b>Balance as at April 1, 2014</b>	145,380,873	6,602,272	151,983,145
Additions	—	94,030	94,030
Deletions /Adjustments	—	—	—
<b>Balance as at March 31, 2015</b>	145,380,873	6,696,302	152,077,175
Additions	—	440,441	440,441
Deletions /Adjustments	—	—	—
<b>Balance as at March 31, 2016</b>	145,380,873	7,136,743	152,517,616
<b>Accumulated amortisation</b>			
<b>Balance as at April 1, 2014</b>	32,296,899	4,821,509	37,118,408
Amortisation charge	11,523,074	1,630,785	13,153,859
Deletions /Adjustments	—	—	—
<b>Balance as at March 31, 2015</b>	43,819,973	6,452,294	50,272,267
Amortisation charge	11,523,074	204,767	11,727,841
Deletions /Adjustments	—	—	—
<b>Balance as at March 31, 2016</b>	55,343,047	6,657,061	62,000,108
<b>Net block</b>			
<b>Balance as at March 31, 2015</b>	101,560,900	244,008	101,804,908
<b>Balance as at March 31, 2016</b>	90,037,826	479,682	90,517,508

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### NOTE 15 : DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Depreciation	208,670	208,670
	208,670	208,670

#### NOTE 16 : LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Capital Advances	20,005,718	24,268,507
Security Deposits		
Considered Good	24,305,917	21,359,689
Considered Doubtful	681,671	681,671
Less: Provision for Doubtful Deposits	(681,671)	(681,671)
Advance Income Tax (Net of Provision)	16,792,560	25,345,841
Other Loans and Advances:		
Balances with Government Authorities	57,792,551	7,654,822
Prepaid Expenses	669,371	970,114
Others - Considered Good	903,148	3,175,345
Others - Considered Doubtful	—	47,287,714
Less: Provision for Doubtful Loans and Advances	—	(47,287,714)
	<b>120,469,265</b>	<b>82,774,318</b>

#### NOTE 17: OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Bank Deposit with maturity more than 12 months	7,455,808	10,000
Interest accrued on Fixed Deposit	551,204	—
Balance with Banks held as Margin Money	—	2,025,000
	<b>8,007,012</b>	<b>2,035,000</b>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 18: INVENTORIES**

<b>Particulars</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at March 31, 2015 Rupees</b>
Stores and Spares	70,850,243	68,339,521
Raw Materials	255,049,594	228,418,841
Packing Materials	4,033,489	3,809,039
Work-in-Progress	80,085,067	88,322,152
Finished Goods	101,868,375	94,590,560
	<b>511,886,768</b>	<b>483,480,113</b>
<b>Details of Inventory</b>		
(i) Work-in-Progress		
Flanges	6,148,091	10,054,303
Plugs	8,105,331	13,265,862
Plastic Containers/ Liners	35,050,614	40,005,300
Lever and Latches	13,645,526	11,553,762
Others	17,135,505	13,442,925
	<b>80,085,067</b>	<b>88,322,152</b>
(ii) Finished Goods		
Flanges	16,247,560	28,517,704
Plugs	14,086,307	8,103,017
Plastic Containers/ Liners	34,414,214	32,073,372
Lever and Latches	21,398,769	14,002,382
Others	15,721,525	11,894,085
	<b>101,868,375</b>	<b>94,590,560</b>

**NOTE 19: TRADE RECEIVABLES (UNSECURED)**

<b>Particulars</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at March 31, 2015 Rupees</b>
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	3,428,054	7,162,777
Considered Doubtful	6,403,792	26,194,508
Less: Provision for Doubtful Debts	(6,403,792)	(26,194,508)
Others		
Considered Good	657,670,302	607,535,085
Considered Doubtful	11,120,514	—
Less: Provision for Doubtful Debts	(11,120,514)	—
	<b>661,098,356</b>	<b>614,697,862</b>

**NOTE 20: CASH AND BANK BALANCES**

<b>Particulars</b>	<b>As at March 31, 2016 Rupees</b>	<b>As at March 31, 2015 Rupees</b>
<b>Cash and Cash Equivalents</b>		
Cash on Hand	290,413	304,048
Cheques on Hand	3,742,239	9,299,542
Bank Balances:		
In Current Accounts	11,792,306	16,950,695
In EEFC Accounts	32,384	442,853
In Demand Deposit Accounts	—	15,597,119
	<b>15,857,342</b>	<b>42,594,257</b>
<b>Other Bank Balances</b>		
Bank Deposits with maturity more than 3 months but less than 12 months	9,881,923	4,320,251
Unpaid Dividend Accounts	1,671,385	1,332,130
Balance with Bank held as Margin Money	105,387	77,500
	<b>11,658,695</b>	<b>5,729,881</b>
<b>Total</b>	<b>27,516,037</b>	<b>48,324,138</b>



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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### NOTE 21: SHORT-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Security Deposits	7,338,375	9,567,791
Advance to Suppliers	21,726,220	15,692,875
Other Loans and Advances:		
Balances with Government Authorities	122,775,312	163,303,637
Prepaid Expenses	5,748,027	5,455,987
Others Considered good	5,803,103	13,420,324
Others Considered doubtful	1,510,532	—
Less: Provision for Doubtful Loans and Advances	(1,510,532)	—
	<b>163,391,037</b>	<b>207,440,614</b>

#### NOTE 22: OTHER CURRENT ASSETS

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
<b>[Unsecured, Considered Good (unless otherwise stated)]</b>		
Duty Entitlement Pass Book (DEPB) Licenses on Hand	3,075,518	914,255
Duty Drawback/Recoverable under Merchandise Exports from India Scheme	8,205,622	5,538,273
Interest accrued on deposits	141,511	290,536
	<b>11,422,651</b>	<b>6,743,064</b>

#### NOTE 23: CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
(a) Capital commitment		
Estimated value of contracts in capital account remaining to be executed [Net of advances of Rs.19,636,661 (Previous Year : Rs. 12,595,264)].	44,543,108	65,508,080
(b) Other commitment		
Commitment relating to lease arrangements	4,992,511	7,406,733



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 24: CONTINGENT LIABILITIES**

Particulars	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
(a) Sales Tax Liability that may arise in respect of matters in appeal	47,258,634	39,489,726
(b) Service Tax Liability that may arise in respect of matters in appeal	187,487,530	153,503,041
(c) Income Tax Liability that may arise in respect of matters in appeal	38,129,216	3,400,573
(d) Excise Duty Liability that may arise in respect of matters in appeal	8,699,406	4,443,672
(e) Claims made against the Group, not acknowledged as debts	4,788,170	3,483,250
(f) Counter guarantees given to banks in respect of guarantees given by them on behalf of the Transafe Services Limited.	5,438,794	4,881,878
(g) Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others	6,660,053	5,902,675

**For Proseal Closures Limited**

The company has purchased fixed assets under the "Export Promotion Capital Goods Scheme" (EPCG). As per the terms of the license granted under the scheme, the company is required to achieve export commitment of Rs. 66,027,688 over a period of time as defined in EPCG License expiring at various dates. The company has already achieved these export obligations, however the requisite filing for 4 EPCG licenses are currently in process, which is expected to be completed within the statutory period as defined in the respective EPCG licenses. The company is hopeful of meeting its export obligation and accordingly no provision is required for the same in books of accounts.

**Notes:**

1. The Group 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 (e) above, pending resolution / completion of the appellate proceedings/other proceedings, as applicable.

**NOTE 25: REVENUE FROM OPERATIONS**

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Sale of Goods	3,704,175,027	3,782,180,229
Sale of Services	121,882,630	96,122,719
Other Operating Revenue:		
Scrap Sales	93,259,081	140,150,522
Income from Duty Drawback and DEPB Licenses	22,925,468	15,339,345
Lease Rentals	108,127,941	124,096,539
	4,050,370,147	4,157,889,354
<b>Details of Sales (Finished Goods)</b>		
Flanges	316,051,876	367,196,263
Plugs	232,159,104	258,661,693
Drum Closures	222,726,668	227,156,636
Lever and Latches	256,234,883	284,948,420
Closing Rings	110,552,534	122,031,984
Rubber Gasket	112,196,593	97,669,080
Plastic Containers/ Liners	2,319,298,283	2,290,687,299
Others	134,955,086	133,828,854
	3,704,175,027	3,782,180,229

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### NOTE 26: OTHER INCOME

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
Interest Income on		
Fixed Deposits with Banks	1,596,895	1,385,269
Others	2,686,594	1,816,625
Profit on Sale of Fixed Assets (Net)	1,073,095	1,181,466
Gain on Foreign Exchange (Net)	1,723,085	—
Liabilities no Longer Required Written Back	41,565,708	20,237,055
Miscellaneous Income	12,525,260	3,479,791
	<b>61,170,637</b>	<b>28,100,206</b>

#### NOTE 27: COST OF MATERIALS CONSUMED

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>Materials Consumed *</b>		
Opening Inventory	232,135,408	181,210,525
Add: Purchases	2,182,416,723	2,393,163,512
Less: Closing Inventory	257,858,750	232,135,408
	<b>2,156,693,381</b>	<b>2,342,238,629</b>
<b>Packing Materials Consumed #</b>		
Opening Inventory	3,809,039	1,744,249
Add: Purchases	21,798,207	32,666,240
Less: Closing Inventory	4,033,489	3,809,039
	<b>21,573,757</b>	<b>30,601,450</b>
	<b>2,178,267,138</b>	<b>2,372,840,079</b>

\* Consumption of stores and spares and raw material related to Transafe Services Limited has been clubbed together, since no separate details pertaining to purchase of stores and spares are available with the Group.

# Packing material have been identified to the extent information was available with the Group.

#### NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>(Increase)/ Decrease in Inventory</b>		
Closing Inventory:		
Work-In-Progress	80,085,067	88,322,152
Finished Goods	101,868,375	94,590,560
	<b>181,953,442</b>	<b>182,912,712</b>
Opening Inventory:		
Work-In-Progress	88,322,152	92,653,658
Finished Goods	94,590,560	104,577,823
	<b>182,912,712</b>	<b>197,231,481</b>
	<b>959,270</b>	<b>14,318,769</b>



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 29: EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>Year ended March 31, 2016 Rupees</b>	<b>Year ended March 31, 2015 Rupees</b>
Salaries, Wages and Bonus	334,997,110	286,610,754
Contribution to Provident and Other Funds	34,052,706	30,215,867
Staff Welfare Expenses	31,188,826	28,989,724
	<b>400,238,642</b>	<b>345,816,345</b>

**NOTE 30: FINANCE COSTS**

<b>Particulars</b>	<b>Year ended March 31, 2016 Rupees</b>	<b>Year ended March 31, 2015 Rupees</b>
Interest on Borrowings		
— From Banks	123,372,476	122,034,202
— From Others	12,297,577	17,033,021
Interest on delay payment of Income tax	1,085,658	—
Other Borrowing Costs	441,354	2,031,685
	<b>137,197,065</b>	<b>141,098,908</b>

**NOTE 31: DEPRECIATION AND AMORTISATION EXPENSE**

<b>Particulars</b>	<b>Year ended March 31, 2016 Rupees</b>	<b>Year ended March 31, 2015 Rupees</b>
Depreciation on Tangible Assets	131,287,045	149,344,046
Amortisation on Intangible Assets	11,727,841	13,153,859
	<b>143,014,886</b>	<b>162,497,905</b>

**NOTE 32: OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2016 Rupees</b>	<b>Year ended March 31, 2015 Rupees</b>
Consumption of Stores and Spare Parts *	111,831,505	91,907,078
Excise duty	1,704,330	258,536
Power, Fuel and Water Charges	190,845,945	188,311,928
Screen Printing Charges	20,182,304	17,567,056
Repairs and Maintenance:		
Plant and Equipment	31,754,776	20,941,590
Buildings	8,132,331	13,213,413
Others	26,066,388	20,994,168
Rent (Refer Note 40)	7,583,258	9,703,172
Rates and Taxes	14,384,209	8,237,255
Bank Charges	5,656,100	8,728,030
Insurance	4,698,689	4,678,033
Communication Charges	3,373,654	3,197,707
Printing and Stationery	2,325,532	1,940,849
System and Software Expenses	2,530,930	3,205,839
Travelling, Conveyance and Car Expenses	35,961,501	30,530,081
Security and Safety Expenses	8,306,728	8,011,960
Legal, Professional and Secretarial Expenses	32,856,998	17,242,577
Corporate Social Responsibility Expenses (Refer Note 42)	3,772,394	1,550,111
Freight and Transportation Expenses (Net)	80,733,669	79,358,806
Commission on Sales	19,203,280	21,879,715
Loss on Foreign Exchange (Net)	—	1,410,121
Indo Trailer Expenses	105,052,221	79,623,796
Provision for Doubtful Debts and Advances	4,241,953	24,189,214
Bad Debts/ Advances Written Off	1,616,699	14,815,233
Miscellaneous Expenses	35,280,656	32,706,249
	<b>758,096,050</b>	<b>704,202,517</b>

\* Consumption of stores and spares and raw material related to Transafe Services Limited has been clubbed together under "Cost of Materials Consumed", since no separate details pertaining to purchase of stores and spares are available with the Group.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### NOTE 33: DISCLOSURE AS PER ACCOUNTING STANDARD 15 (REVISED) – EMPLOYEE BENEFITS OF THE COMPANY ONLY:

The Company has classified various benefits provided to employees as under:

#### (a) Defined Contribution Plans

The amount recognised as an expense during the year ended March 31, 2016 towards Provident Fund, ESIC contribution and Superannuation is Rs. 10,459,017 (Previous Year Rs. 9,577,861), Rs. 209,134 (Previous Year Rs. 161,932) and Rs. 3,799,465 (Previous Year Rs. 3,116,421) respectively.

#### (b) Defined Benefit Plan

Gratuity

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
(i) In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:		
Discount Rate	7.80%	7.95%
Rate of increase in Compensation Levels	7.25%	7.25%
Rate of Return on Plan Assets	7.80%	8.75%
Attrition rate	2.38%	3.29%
Mortality Rate	<b>IALM Mortality- Tables (2006-08) Ultimate</b>	IALM Mortality- Tables (2006-08) Ultimate
(ii) <b>Changes in the Fair value of Plan Assets</b>		
Present Value of Plan Assets at the beginning of the year	<b>36,456,787</b>	31,808,201
Expected Return on Plan Assets	<b>3,196,798</b>	2,973,395
Actuarial Gain/ (Loss) on Plan Assets	<b>(155,299)</b>	(113,424)
Contributions	<b>587,791</b>	3,067,769
Benefits Paid	<b>(1,731,873)</b>	(1,279,154)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>38,354,204</b>	36,456,787
(iii) <b>Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	<b>43,361,899</b>	35,208,902
Interest Cost	<b>3,454,624</b>	3,160,843
Past Service Cost	—	—
Current Service Cost	<b>3,152,234</b>	3,046,289
Curtailment Cost/ (Credit)	—	—
Settlement Cost/ (Credit)	—	—
Benefits Paid	<b>(1,731,873)</b>	(1,279,154)
Actuarial (Gain)/ Loss	<b>715,833</b>	3,225,019
<b>Present Value of Obligation at the end of the year</b>	<b>48,952,717</b>	43,361,899


**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

Particulars	Year Ended March 31, 2016 Rupees	Year Ended March 31, 2015 Rupees
<b>(iv) Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	<b>48,952,717</b>	43,361,899
Fair Value of Plan Assets at the end of the year	<b>(38,354,204)</b>	(36,456,787)
Net Liability recognised at the end of the year	<b>10,598,513</b>	6,905,112
<b>(v) 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%</b>	100%
<b>(vi) Expenses recognised in the Statement of Profit and Loss</b>		
Current Service Cost	<b>3,152,234</b>	3,046,289
Past Service Cost	—	—
Interest Cost	<b>3,454,624</b>	3,160,843
Expected Return on Plan Assets	<b>(3,196,798)</b>	(2,973,395)
Curtailment Cost/ (Credit)	—	—
Settlement Cost/ (Credit)	—	—
Actuarial (Gain)/ Loss	<b>897,371</b>	3,338,443
Total Expenses recognised in the Statement of Profit and Loss	<b>4,307,431</b>	6,572,180
<b>(vii) Expected Contribution to Gratuity Fund for the next year, Rs. 13,830,558 (Previous Year Rs. 9,644,818).</b>		

**(c) Compensated absences**

The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the Statement of Profit and Loss for the year is Rs. 5,399,152 (Previous Year Rs. 4,729,383).

**NOTE 34:**

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. 181,791,984. 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.

In the event the Company desires to sell all or part of the TSL shares within the aforesaid period of 96 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. 29,450,302 (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 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. 29,450,302 and has not accrued the annual interest expense of Rs. 16,361,279 for the financial years ended March 31, 2013 to March 31, 2016 based on the written communication to BL.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### NOTE 35: RELATED PARTY DISCLOSURES

#### (a) Names of related parties and nature of relationship

##### (i) Parties having joint control over the Company

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

##### (ii) Parties under the common control

American Flange and Manufacturing Co. Inc.  
Balmer Lawrie (UAE) LLC  
Greif Algeria Spa  
Greif Czech Republic A.S  
Greif Eastern Packaging Pte Limited  
Greif Egypt LLC  
Greif Embalagenes Ind do Brasil Ltda  
Greif France SAS  
Greif Horizon Metallic Industries Company LLC  
Greif International Holding B.V.  
Greif Italia SpA  
Greif Mexico, S.A.De C.V  
Greif Nederland B.V.  
Greif Egypt LLC  
Greif Nigeria Plc  
Greif Packaging & Supply Chain LLC  
Greif Philippines Inc.  
Greif Eastern Packaging Pte Limited  
Greif Saudi Arabia Co. Ltd.  
Greif Singapore Pte Ltd  
Greif Sweden Ab  
Greif Vologda Limited Liability Company  
Greif Australia Pty Limited  
Greif Plastics Italy S.R.L.  
Greif Hua I Taiwan Co Limited  
Tri-Sure Closures Australia Pty Ltd.  
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.

##### (iii) Key Management Personnel

Mohan Menon – Managing Director  
Sanjay Datta – Chief Financial Officer  
Rajesh Juthani – Company Secretary



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

(b) The following transactions were carried out during the year with the related parties in the ordinary course of business:

Nature of Transaction	Parties referred to in (i)		Parties referred to in (ii)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Purchase of Raw Materials and Stores</b> (Inclusive of Levies and taxes)						
Balmer Lawrie and Company Limited	1,042,982	863,838	—	—	1,042,982	863,838
Greif Embalagenes Ind do Brasil Ltda	—	—	2,553,175	4,596,665	2,553,175	4,596,665
Greif France SAS	—	—	4,198,337	5,537,395	4,198,337	5,537,395
Greif Plastics Italy S.R.L	—	—	2,575,779	—	2,575,779	—
Greif Nederland B.V.	—	—	2,512,742	7,984,466	2,512,742	7,984,466
American Flange and Manufacturing Co. Inc.	—	—	390,704	1,055,238	390,704	1,055,238
Tri-Sure Closures Australia Pty Limited	—	—	7,619,361	—	7,619,361	—
	<b>1,042,982</b>	<b>863,838</b>	<b>19,850,098</b>	<b>19,173,764</b>	<b>20,893,080</b>	<b>20,037,602</b>
<b>Sale of Finished Goods</b> (Exclusive of Levies and taxes)						
Balmer Lawrie and Company Limited	211,055,315	155,138,939	—	—	211,055,315	155,138,939
Balmer Lawrie (UAE) LLC	—	—	36,635,320	29,565,497	36,635,320	29,565,497
Greif Singapore Pte Ltd	—	—	192,930,416	275,923,145	192,930,416	275,923,145
Greif Philippines Inc.	—	—	—	665,523	—	665,523
American Flange and Manufacturing Co. Inc.	—	—	131,590,437	25,425,605	131,590,437	25,425,605
Greif Egypt LLC	—	—	12,733,693	9,482,144	12,733,693	9,482,144
Greif Italia SpA	—	—	2,624,805	9,676,623	2,624,805	9,676,623
Greif Eastern Packaging Pte Limited	—	—	32,736,089	16,529,633	32,736,089	16,529,633
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	34,914,356	24,401,849	34,914,356	24,401,849
Tri-Sure Closures Australia Pty Limited	—	—	—	17,406,488	—	17,406,488
Greif Algeria Spa	—	—	—	3,024,060	—	3,024,060
Greif Czech Republic A.S	—	—	4,495,442	5,377,660	4,495,442	5,377,660
Greif Embalagenes Ind do Brasil Ltda	—	—	5,841,515	3,100,491	5,841,515	3,100,491
Greif Horizon Metallic Industries Company LLC	—	—	—	20,183	—	20,183
Greif Mexico, S.A.De C.V	—	—	26,339,789	22,193,997	26,339,789	22,193,997
Greif Nederland B.V.	—	—	120,122,762	118,485,898	120,122,762	118,485,898
Greif Nigeria Plc	—	—	3,489,320	6,263,303	3,489,320	6,263,303
Greif Packaging & Supply Chain LLC	—	—	36,276,214	125,151,463	36,276,214	125,151,463
Greif Saudi Arabia Co. Ltd.	—	—	26,431,527	13,103,670	26,431,527	13,103,670
Greif Sweden Ab	—	—	5,589,540	6,258,780	5,589,540	6,258,780
Greif Vologda Limited Liability Company	—	—	5,287,378	10,412,482	5,287,378	10,412,482
Greif France SAS	—	—	1,119,882	—	1,119,882	—
	<b>211,055,315</b>	<b>155,138,939</b>	<b>679,158,485</b>	<b>722,468,494</b>	<b>890,213,800</b>	<b>877,607,433</b>
<b>Lease Rent Expenses</b>						
Balmer Lawrie and Company Limited	110,595	205,088	—	—	110,595	205,088
	<b>110,595</b>	<b>205,088</b>	<b>—</b>	<b>—</b>	<b>110,595</b>	<b>205,088</b>
<b>Purchase of Services</b>						
Balmer Lawrie and Company Limited	50,754,175	63,675,165	—	—	50,754,175	63,675,165
Greif Nederland B.V.	—	—	22,723,630	—	22,723,630	—
American Flange and Manufacturing Co. Inc.	—	—	1,301,762	—	1,301,762	—
	<b>50,754,175</b>	<b>63,675,165</b>	<b>24,025,392</b>	<b>—</b>	<b>74,779,567</b>	<b>63,675,165</b>
<b>Commission Expense</b>						
Greif Nederland B.V.	—	—	17,873,738	15,907,264	17,873,738	15,907,264
	<b>—</b>	<b>—</b>	<b>17,873,738</b>	<b>15,907,264</b>	<b>17,873,738</b>	<b>15,907,264</b>
<b>Loan Received</b>						
Balmer Lawrie and Company Limited	—	115,000,000	—	—	—	115,000,000
	<b>—</b>	<b>115,000,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>115,000,000</b>
<b>Repayment of Loan Taken</b>						
Balmer Lawrie and Company Limited	—	115,000,000	—	—	—	115,000,000
	<b>—</b>	<b>115,000,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>115,000,000</b>
<b>Wavier of Loan Taken</b>						
Greif International Holding B.V.	26,250,000	—	—	—	26,250,000	—
	<b>26,250,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>26,250,000</b>	<b>—</b>
<b>Amount Reimbursed by other Companies</b>						
Balmer Lawrie and Company Limited	28,479	395,153	—	—	28,479	395,153
Greif Singapore Pte Ltd	—	—	2,328,156	—	2,328,156	—
Greif Nederland B.V.	—	—	—	824,374	—	824,374
Tri-Sure Closures Australia Pty Limited	—	—	256,711	—	256,711	—
	<b>28,479</b>	<b>395,153</b>	<b>2,584,867</b>	<b>824,374</b>	<b>2,613,346</b>	<b>1,219,527</b>



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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Nature of Transaction	Parties referred to in (i)		Parties referred to in (ii)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Amount Reimbursed to other Companies</b>						
Balmer Lawrie and Company Limited	937,221	—	—	—	937,221	—
Greif Nederland B.V.	—	—	5,217,090	—	5,217,090	—
Greif Singapore Pte Ltd	—	—	6,425,692	77,533	6,425,692	77,533
	<b>937,221</b>	<b>—</b>	<b>11,642,782</b>	<b>77,533</b>	<b>12,580,003</b>	<b>77,533</b>
<b>Interest Expense</b>						
Balmer Lawrie and Company Limited	767,096	3,027,699	—	—	767,096	3,027,699
	<b>767,096</b>	<b>3,027,699</b>	<b>—</b>	<b>—</b>	<b>767,096</b>	<b>3,027,699</b>
<b>Dividend Paid</b>						
Balmer Lawrie and Company Limited	17,202,544	10,321,532	—	—	17,202,544	10,321,532
Greif International Holding B.V.	17,202,564	10,321,538	—	—	17,202,564	10,321,538
	<b>34,405,108</b>	<b>20,643,070</b>	<b>—</b>	<b>—</b>	<b>34,405,108</b>	<b>20,643,070</b>

### (c) Amount Due to / from related parties (as at year-end)

Nature of Transaction	Parties referred to in (i)		Parties referred to in (ii)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Outstanding Receivable (Net of Payable)</b>						
Balmer Lawrie and Company Limited	36,315,175	29,765,967	—	—	36,315,175	29,765,967
Greif Singapore Pte Ltd	—	—	30,736,465	35,080,696	30,736,465	35,080,696
Greif Egypt LLC	—	—	3,337,809	3,480,695	3,337,809	3,480,695
Greif Eastern Packaging Pte Limited	—	—	7,331,689	979,306	7,331,689	979,306
American Flange and Manufacturing Co. Inc.	—	—	49,127,972	5,547,069	49,127,972	5,547,069
Tri-Sure Closures Systems (Zhenjiang) Co. Ltd.	—	—	5,943,512	4,445,274	5,943,512	4,445,274
Greif Nederland B.V.	—	—	22,205,376	27,828,014	22,205,376	27,828,014
Greif Packaging & Supply Chain LLC	—	—	—	27,380,167	—	27,380,167
Greif Mexico, S.A.De C.V	—	—	5,339,063	6,578,084	5,339,063	6,578,084
Greif Saudi Arabia Co. Ltd.	—	—	11,722,689	1,006,097	11,722,689	1,006,097
Greif Sweden Ab	—	—	2,972,868	2,445,261	2,972,868	2,445,261
Greif Czech Republic A.S	—	—	1,178,859	1,086,493	1,178,859	1,086,493
Greif Vologda Limited Liability Company	—	—	—	2,350,207	—	2,350,207
Greif Embalagenes Ind do Brasil Ltda	—	—	2,613,853	153,338	2,613,853	153,338
Balmer Lawrie (UAE) LLC	—	—	4,611,310	5,814,457	4,611,310	5,814,457
Greif Italia SpA	—	—	—	2,513,025	—	2,513,025
Tri-Sure Closures Australia Pty Limited	—	—	256,711	5,888,438	256,711	5,888,438
Greif France SAS	—	—	1,073,272	—	1,073,272	—
	<b>36,315,175</b>	<b>29,765,967</b>	<b>148,451,448</b>	<b>132,576,621</b>	<b>184,766,623</b>	<b>162,342,588</b>
<b>Outstanding Payable (Net of Receivable)</b>						
Greif Embalagenes Ind do Brasil Ltda	—	—	111,821	1,815,449	111,821	1,815,449
Greif France SAS	—	—	939,122	—	939,122	—
Greif Nederland B.V.	—	—	15,372,368	13,134,863	15,372,368	13,134,863
	<b>—</b>	<b>—</b>	<b>16,423,311</b>	<b>14,950,312</b>	<b>16,423,311</b>	<b>14,950,312</b>
<b>Outstanding Loan Payable (Including Interest)</b>						
Greif International Holding B.V.	—	26,250,000	—	—	—	26,250,000
Balmer Lawrie and Company Limited	190,791,984	190,791,984	—	—	190,791,984	190,791,984
	<b>190,791,984</b>	<b>217,041,984</b>	<b>—</b>	<b>—</b>	<b>190,791,984</b>	<b>217,041,984</b>

### (d) Key Management Personnel (KMP):

- (i) Remuneration to Managing Director Rs. 6,487,744 (Previous Year Rs. 3,907,464)
- (ii) Remuneration to Chief Financial Officer Rs.2,775,393 (Previous Year Rs. 1,777,734)
- (iii) Remuneration to Company Secretary Rs. 2,773,990 (Previous Year Rs. 2,041,563)



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 36: SEGMENT REPORTING**

The Business Segments have been considered as the primary segments for disclosure. The reported business segments are as follows:

- (i) Steel Drum Closures
- (ii) Plastic Containers
- (iii) Leasing
- (iv) Other logistics

The above business segments have been identified considering:

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

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 Group 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 Group 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.

(Amount in Rs.)

Particulars	Steel Drum		Plastic Containers		Leasing		Other Logistics		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Revenue</b>										
External Segment Revenue	1,352,273,986	1,509,343,969	2,067,221,041	2,052,932,808	94,214,363	111,131,687	213,653,179	167,042,628	3,727,362,569	3,840,451,092
Inter-Segment Revenue	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue</b>	<b>1,352,273,986</b>	<b>1,509,343,969</b>	<b>2,067,221,041</b>	<b>2,052,932,808</b>	<b>94,214,363</b>	<b>111,131,687</b>	<b>213,653,179</b>	<b>167,042,628</b>	<b>3,727,362,569</b>	<b>3,840,451,092</b>
<b>Result</b>										
Segment Result	178,996,168	198,091,299	167,570,195	111,120,395	44,138,865	68,495,276	(15,826,906)	(46,013,865)	374,878,322	331,693,105
Add: Unallocable Income									28,482,379	3,631,890
Less: Interest Expense									137,197,065	141,098,908
Unallocable Expenses									95,403,481	66,449,312
<b>Profit Before Taxation</b>									<b>170,760,155</b>	<b>127,776,775</b>
Less: Tax Expenses									91,718,646	67,962,510
<b>Profit After Taxation</b>									<b>79,041,509</b>	<b>59,814,265</b>
<b>Other Information</b>										
Segment Assets	1,240,144,612	1,187,125,807	964,749,251	861,072,302	366,265,870	269,225,590	230,380,971	376,985,197	2,801,540,704	2,694,408,896
Unallocable Assets									343,174,813	330,784,318
<b>Total Assets</b>									<b>3,144,715,517</b>	<b>3,025,193,214</b>
Segment Liabilities	223,713,892	229,084,536	326,066,824	249,608,056	8,340,123	8,256,499	67,174,961	46,146,470	625,295,800	533,095,560
Unallocable Liabilities									1,776,431,825	1,770,538,769
<b>Total Liabilities</b>									<b>2,401,727,625</b>	<b>2,303,634,329</b>
<b>Capital Expenditure</b>										
Segment	100,869,656	64,821,046	94,584,533	33,814,321	2,416,694	114,850	3,471,935	506,899	201,342,818	99,257,116
Unallocable									5,272,091	5,318,806
<b>Total Capital Expenditure</b>									<b>206,614,909</b>	<b>104,575,922</b>
(Including Capital Work-In-Progress)										
<b>Depreciation and amortisation</b>										
Segment	60,548,300	51,314,933	29,719,311	39,334,803	33,019,620	33,072,417	13,979,018	18,444,700	137,266,249	142,166,853
Unallocable									5,748,637	20,331,052
<b>Total Depreciation and amortisation</b>									<b>143,014,886</b>	<b>162,497,905</b>
<b>Non-cash expenses other than depreciation and amortisation</b>										
Segment	2,380,252	1,770,264	702,444	278,551	1,160,374	1,229,520	—	—	4,243,070	3,278,335
Unallocable									3,438,936	1,157,687
<b>GEOGRAPHICAL SEGMENT</b>										
<b>Revenue</b>										
India									2,869,974,327	2,864,948,332
Outside India									857,388,242	975,502,760
									<b>3,727,362,569</b>	<b>3,840,451,092</b>
<b>Assets</b>										
India									2,604,906,671	2,588,263,858
Outside India									196,634,033	106,145,038
									<b>2,801,540,704</b>	<b>2,694,408,896</b>
<b>Capital Expenditure</b>										
India									201,342,818	99,257,116
Outside India									—	—
									<b>201,342,818</b>	<b>99,257,116</b>

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### NOTE 37:

(a) The list of subsidiary and jointly controlled entity included in the consolidated financial statements are as under:

Name of Entity	Country of Incorporation	Nature of Relationship	Proportion of Ownership interest as at March 31, 2016	Proportion of Ownership interest as at March 31, 2015
Proseal Closures Limited	India	Subsidiary	100%	100%
Transafe Services Limited	India	Jointly controlled entity	50%	50%

(b) Goodwill and Capital reserve on consolidation represent the difference between the net worth on the date of acquisition and the cost of acquisition of subsidiary and jointly controlled entity respectively. Amortisation of Goodwill arising on acquisition of subsidiary amounted to Rs. 11,523,074 for the year.

(c) The Company has a 50% interest in Transafe Services Limited. The Group's share of each of the assets, liabilities, income, expenses etc. related to its interests in this joint venture, based on the audited financial statements are:

Particulars	2015-2016	2014-2015
<b>(i) Assets (at year end)</b>		
Fixed Assets (including Capital Work-in-progress)	501,409,197	544,179,956
Deferred Tax Assets (Net)	208,670	208,670
Long-Term Loans and Advances	9,774,538	24,814,702
Other Non-Current Assets	—	—
Inventories	24,971,398	31,751,853
Trade Receivables	68,338,446	60,200,025
Cash and Bank Balances	1,328,073	2,815,584
Short-Term Loans and Advances	15,469,255	15,885,634
Other Current Assets	—	—
<b>(ii) Liabilities (at year end)</b>		
Long-Term Borrowings	364,581,367	475,010,541
Deferred Tax Liabilities (Net)	—	—
Other Long Term Liabilities	8,193,735	9,572,249
Long-Term Provisions	784,713	750,905
Short-Term Borrowings	127,476,771	112,394,255
Trade Payables	51,336,945	37,623,650
Other Current Liabilities	239,144,122	159,174,099
Short-Term Provisions	—	—
<b>(iii) Income</b>	<b>327,332,506</b>	<b>300,004,549</b>
<b>(iv) Expenses</b>	<b>368,662,517</b>	<b>345,079,522</b>
<b>(v) Other Matters</b>		
Contingent Liabilities	230,931,577	194,587,380



**SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE 38: COMPUTATION OF EARNINGS PER SHARE (BASIC AND DILUTED):**

The amount considered in ascertaining the Group's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(I) Profit Computation for both Basic and Diluted Earnings per share: Net Profit available for equity shareholders (in Rs.)	<b>79,041,509</b>	59,814,265
(II) Computation of weighted average number of equity shares: Number of shares for Basic and Diluted earnings per share	<b>17,974,814</b>	17,974,814
(III) Earnings Per Share: Basic (in Rs.)	<b>4.40</b>	3.33
Diluted (in Rs.)	<b>4.40</b>	3.33

**NOTE 39: DISCLOSURE OF DERIVATIVES:**

(i) Outstanding Forward Exchange Contracts entered into by the Group as at year end:

Currency	March 31, 2016		March 31, 2015	
	Number of Contracts	Amount	Number of Contracts	Amount
<b>Export Receivable</b>				
USD	—	—	14	700,000
(Equivalent Rs.)	—	—	—	45,324,000
<b>Import Payables</b>				
USD	5	2,077,440	5	1,293,220
(Equivalent Rs.)	—	138,025,114	—	80,921,030

(ii) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2016 are as follows:

Particulars	Foreign Currency Denomination	March 31, 2016		March 31, 2015	
		Foreign Currency Amount	Amount (In Rupees)	Foreign Currency Amount	Amount (In Rupees)
Trade Receivables	USD	1,765,470	116,439,486	1,313,637	81,534,171
	EURO	788,424	59,663,697	23,770	1,739,612
	SGD	42,432	2,052,860	21,840	979,306
Secured Loan	USD	—	—	195,975	12,283,713
Trade Payables	USD	1,205,219	80,074,753	1,620,394	101,568,046
	EURO	233,148	17,598,014	113,343	7,711,406

The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date in accordance with Accounting Standard 11 - "The Effects of Changes in Foreign Exchange Rates (Revised 2003)" notified under Section 133 of the Act.

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### SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

#### NOTE 40:

The Group has entered into cancellable leasing arrangements mainly for residential flats, office premises, warehouse, vehicles etc. The Lease rent of Rs. 7,583,258 (Previous Year Rs. 9,703,172) has been included under the head 'Other Expenses - Rent' under Note 32 to the Consolidated Financial Statements.

Operating lease rental income recognised in the Consolidated Statement of Profit and Loss amounts to Rs. 108,127,941 (Previous Year Rs. 124,096,539) and is included under the head 'Other Operating Revenue' under Note 25 to the Consolidated Financial Statements.

Certain non-cancellable operating leases extend upto a maximum of three years from their respective dates of inception. Some of such lease agreements have a price escalation clause. Maximum obligations on long term non-cancellable operating leases in accordance with the rent stated in the respective agreements are as under:

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Not later than 1 year	2,656,737	2,501,297
Later than 1 year but not later than 5 years	2,335,774	4,905,436
Later than 5 years	—	—
<b>Total</b>	<b>4,992,511</b>	<b>7,406,733</b>

#### NOTE 41: OUTSTANDING DUES TO MICRO AND SMALL ENTERPRISES:

The Group has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at March 31, 2016. The disclosure pursuant to the said Act is as under:

Particulars	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Principal amount due to suppliers under MSMED Act (including payable for fixed assets)	16,979,631	16,847,779
Interest accrued and due to suppliers under MSMED Act on the above amount unpaid	2,817	26,619
Payment made to suppliers (other than interest) beyond the appointed day during the year	132,917,546	116,696,957
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	98,390	725,113
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	2,638,583	2,537,540

**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 and its subsidiary. Transafe Services Limited is in the process of obtaining necessary confirmations from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding the same have not been made.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

### NOTE 42: 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 any 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 in Rs.	
	Balmer Lawrie-Van Leer Limited	Proseal Closure Limited
Average net profit of the Company for last three financial years	75,807,853	111,869,680
Prescribed CSR expenditure (2% of the average net profit as computed above)	1,516,157	2,237,394
<b>Details of CSR expenditure during the financial year :</b>		
Total amount to be spent for the financial year	1,516,157	2,237,394
Amount spent	1,535,000	—
Amount unspent	—	2,237,394

### NOTE 43:

Continuous losses incurred by Transafe Services Limited (TSL) over the last few years have resulted in negative net worth as at March 31, 2016. Based on negative net worth as at March 31, 2013, a reference application was made to Board for Industrial and Financial Reconstruction (BIFR) under Section 15 of The Sick Industrial Companies (Special Provisions) Act, 1985 on July 22, 2013 which was registered by BIFR under case no. 83/2013 and confirmed by their letter dated November 25, 2013. The management is hopeful of revival of this company on the following grounds:

- (i) For Manufacturing Business:
  - (a) Orders in hand and the ones in pipeline show better prospects;
  - (b) Business with ONGC and ISRO is expected to reach new heights;
  - (c) Improvement in production facilities in the area of shot blasting and painting;
  - (d) Signed MOU with Powerica, Bangalore for supply of Genset Containers;
  - (e) Expected MOU with BHEL, Bhopal for supply of Solar Panel Containers under PM's Make in India scheme; and
  - (f) Tapping huge business of Koiltainers.
- (ii) For Logistics Business:
  - (a) Increase in corporate client base with better margin;
  - (b) Widening the customer base to cater to varying logistics needs;
  - (c) Focussing on tender business on e-portals;
  - (d) Thrust on reduction of turnaround time;
  - (e) Better asset utilisation; and
  - (f) More penetration into transport activities of promoter company.

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## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(iii) For Leasing Business:

- (a) Reducing idle / off leased stock of containers;
- (b) Increase in customer base;
- (c) Better product mixes, i.e. leaving customers with lower rate for higher per container per day (PCPD) rate customers; and
- (d) Thrust on collection for repairs against off leased containers.

### NOTE 44:

Figures for the previous year have been regrouped / reclassified, wherever necessary.

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As per our report of even date attached.

For **Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
*Chartered Accountants*

**Bharat Shetty**  
*Partner*

Mumbai, 11 August, 2016

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

**Kannan Ananthakrishnan** – *Director*

**Dhandapani Sothi Selvam** – *Director*

**Sanjay Datta** – *Chief Financial Officer*

**Rajesh Juthani** – *Company Secretary*

Mumbai, 3 August, 2016

# Balmer Lawrie-Van Leer Limited

CIN: U99999MH1962PLC012424

Registered Office:

D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai-400 705

Tel: +91 22 67396400; Fax: +91 22 6739 6436; Email: compliance\_officer@blvlindia.com:

Website: www.blvlindia.com

## PROXY FORM

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

Name of the Member(s): .....

Registered Address: .....

E-mail Id: .....

Folio No. .... DP ID No. .... Client ID No. ....

I/We, being the member(s) of Balmer Lawrie Van Leer Limited, holding ..... Shares appoint

Name: ..... E-mail Id: .....

Address: .....

..... Signature: ..... or failing him/her

Name: ..... E-mail Id: .....

Address: .....

..... Signature: ..... or failing him/her

Name: ..... E-mail Id: .....

Address: .....

..... Signature: ..... or failing him/her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company to be held on Thursday, the 29th September, 2016 at 15.00 P.M. at the Registered office of the Company at D-195/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai-400 705 and at any adjournment thereof in respect of resolutions indicated below:

Ordinary Business	Special Business
Adoption of Audited Standalone and Consolidated Financial Statements for the year ended on March 31, 2016 together with the Report of the Directors and Auditors thereon.	Appointment of Mr. Dhandapani Sothi Selvam (DIN: 07038156) as a Director
Declaration of Dividend on Equity	Appointment of Mrs. Manjusha Bhatnagar (DIN: 07059799) as a Director
Re-appointment of Mr. Prabal Basu (DIN: 06414341) as Director liable to retire by rotation	Retification of extension of Terms of Appointment of Mr. Mohan Menon (DIN: 02838483) as Managing Director and payment of Remuneration
Re-appointment of Mrs. Cristina Paula Trigo Alves Zeitz (DIN: 07146615) as Director liable to retire by rotation	Appointment of SHAREX DYNAMIC (INDIA) PVT LTD, as Registrar & Share Transfer Agent in place of Sharepro Services (India) Pvt. Ltd.
Ratification of appointment of M/s. Walker Chandio & Co. LLP (Formerly Walker Chandio & Co.) Chartered Accountants (Registration No. 001076N/N500013) as Statutory Auditors of the Company and authority to fix their remuneration.	

Signed this ..... day of ..... 2016

Affix  
Revenue  
Stamp of  
Re. 1

Signature of the Member: ..... Signature of Proxy holder: .....

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.



*If not delivered, please return to :*

**Balmer Lawrie-Van Leer Limited**



D-195/2, TTC Industrial Area,  
MIDC Turbhe, Navi Mumbai-400 705

Designed and Printed by  
neilgrafix@gmail.com